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Social Security:

# ***KEEPING THE PROMISE***

## **The Mission of SSA**

*To promote the economic security of the nation's people through  
compassionate and vigilant leadership in shaping and managing  
America's social security programs*

## **The Goals of SSA**

*To promote valued, strong, and responsive social security  
programs and conduct effective policy development, research,  
and program evaluation*

*To deliver customer-responsive, world-class service*

*To make SSA program management the best in business, with  
zero  
tolerance for fraud and abuse*

*To be an employer that values and invests in each  
employee*

*To strengthen public understanding of the social  
security programs*





# Part I -- Introduction

Social Security touches the life of nearly every American. That reality led the Social Security Administration (SSA) more than a decade ago to begin the process of strategic planning. Over the years, the strategic planning process evolved into a unified planning system to encompass the business planning activity. That system has evolved into a comprehensive system of *strategic management* that now guides Agency decision making and action. We also now have a law--the Government Performance and Results Act--that requires all Federal agencies to conform to the concepts of strategic management that we have been institutionalizing at SSA.

This strategic plan is a refreshment of our strategic plan of 1991. Though the document looks different, a comparison would show that our priorities then, which were focused on world-class service and the methods to achieve it, are still priorities. But there is a difference.

Today, SSA is an independent Agency, facing a growing concern among younger generations about the viability of Social Security funding. Today, we are 6 years closer to the retirement of the baby-boom generation, which within a decade will be upon us. Today, we are preparing to support the first balanced Federal budget in recent history, and we are ever mindful of the need to continue as good and efficient stewards of the funds entrusted to us.

The time frame addressed by this plan is the next 5 years, through the year 2002. However, we set our strategic planning *horizon* much farther out--to 2010--to ensure that we begin now to position the Agency to handle the workloads we expect to result from the retirement of the baby boomers.

## About the Social Security Programs

When we talk about the Social Security programs, we are talking about the three programs that nearly all of SSA's resources are committed to administering: the Old-Age and Survivors Insurance program (OASI), the Disability Insurance program (DI), and the Supplemental Security Income program (SSI). To administer these programs, SSA issues Social Security numbers, maintains earnings records for wage earners and self-employed individuals, takes claims, makes eligibility decisions, maintains the beneficiary rolls, and disseminates information about the programs.

In calendar year (CY) 1996, SSA paid out over \$373.5 billion to over 50 million beneficiaries. The purpose and effect of these benefits are significant.

**OASDI** -- The OASI and DI programs, commonly known as "Social Security," are based in title II of the Social Security Act. Under title II, about 43.7 million people--including 91 percent of the population 65 or over--receive Social Security benefits totaling about \$28.9 billion each month. Their benefits replace, in part, the earnings that were lost when a worker retired, became disabled, or died.

Benefits are financed primarily through payroll taxes paid by employees, their employers, and self-employed persons. Almost all jobs are covered by Social Security, meaning that most people are earning income protection for their future along with their paychecks.

Over the years, benefits from the programs that SSA administers have significantly improved the economic well-being of the nation. For example, in 1994, the poverty rate among elderly Social Security beneficiaries was 12 percent; without Social Security, it would have been 42 percentage points higher, or 54 percent. In 1996, benefits under the DI program replaced 43 percent of the pre-disability income of the average worker who received them.

**SSI** -- SSI, based in title XVI of the Social Security Act, is a means-tested program that pays monthly checks to people who have limited assets and income, and are 65 or older, blind, or disabled. Under title XVI, about 6.3 million people receive Federally-administered SSI payments totaling \$2.2 billion each month. Many States supplement the Federal SSI payment, choosing either to have SSA administer the supplement or to pay it directly. Federal SSI payments are financed from general revenues.

Beneficiaries of the title XVI program receive monthly Federal payments sufficient to raise their income to a Federally guaranteed level, currently 72.9 percent of the poverty level.

The outcomes of the Social Security and SSI programs are influenced by a wide range of economic and societal factors. Major program changes must be legislated, and legislation arises from issues and solutions identified by the President, the legislators themselves, the Social Security Administration, and others such as individual members of the public, advocacy groups, research organizations, and other government agencies.

## **The Themes of This Plan**

As you read through this document, you will find recurring themes in our mission statement, goals, strategies, and management framework. These themes are **not** priorities; they are conceptual threads that weave their way through the plan and form the base for policy and operational models for implementation.

- **Leadership**

The most important word in our new mission statement is *leadership*. This word reflects our intention to be the best in business when it comes to program management. It describes our mode of operating to ensure that we change at the pace necessary to meet the goals we have set. And it represents a commitment to employees and to the American people whose hopes and dreams for the future depend upon SSA's leadership.

- **Service**

Virtually everyone in the nation has been or will become a direct customer of SSA at some time in his/her life, and we know how important our services are to those who use them. SSA has always been strongly focused on the direct customer of our *service*--the people whose claims we take, whose privacy we guard, whose stories we hear. The needs of these customers have been the nearly singular focus of our strategic and business plans over the last decade, and we reaffirm in this plan our commitment to meeting their needs.

In addition, we are now focusing more strongly on another category of customers. They are our business partners, the employers in private industry and employers and agencies at all levels of government whose participation is vital in the administration of the Social Security programs.

- **Balance**

If *service* was the watchword for SSA over the last decade, it has been joined by *balance* as a theme of our plans for the future. The concept refers to all aspects of SSA--balance between social equity and individual adequacy in the Social Security programs, between the respective roles of government and individuals, between competing constituent priorities, between service and cost.

In the balanced-budget climate established by the Balanced Budget Act of 1997, SSA will have to set priorities and make trade-offs. Our job, as always, will be to provide the public with the maximum benefit for the least cost. Balance will be our guiding principle as we make the hard choices that confront us every day.

- **Public Confidence**

The original Social Security programs were legislated in a time of economic and social crisis. In large measure, we have experienced no similar social-welfare crisis since that time exactly because of those programs and others, like DI, that were legislated more recently. The public support the programs have enjoyed, an important factor in their suc-

cess, is in large part a result of *public confidence* in the continuing ability of the programs to address the issues of poverty that they were designed to impact.

In recent years, various factors, including a declining respect for the role of government overall and changing cultural values, have reduced the public confidence so vital to program health. Implicit throughout this plan is a strong Agency sensibility of the interdependence of program outcomes, public confidence, and Agency performance.

The relationship between our goal to increase public understanding and the level of public confidence seems obvious. But achievement under each one of our goals will have a positive impact on public confidence in the programs themselves and SSA's ability to manage them; raising confidence, in turn, will have a healthy impact on achievement of our goals.

- **Quality**

SSA has always been an organization that strives for quality in both the programs we administer and the service we deliver. The continuation of our commitment to pursue quality can be seen in the words of our goals--*world-class, best-in-business*--and in the characteristics of their objectives--*accuracy, timeliness, customer satisfaction*.

Our strategic deliberations have made us realize that *quality* is more than the sum of our strategic objectives: it is also both an attitude and a methodology for approaching our mission work that are interwoven throughout our plans and our operations.

## **Part II -- Environmental Factors and Forecasts**

No organization operates in a vacuum. Each one has an impact on the environment, and, in turn, the environment has a defining impact on each organization within it. Good organizations determine what is important in the environment--the drivers of action--and develop strategies to respond to those drivers. Great organizations try to anticipate what the world in its future *could* look like, consider where the drivers of today fit, and then commit to a strategic course of action.

Following is a representative list of the drivers of today and the factors of tomorrow that we have considered in developing this strategic plan.

### **Factors of the External Environment**



- **Workloads**

The most important forecasts we make are those of workloads. To make them, we examine actuarial and demographic projections, economic trends, and societal attitudes about work. Our current workload estimates are shown in the table below. Expected increases in all four key SSA workloads will be less than 5 percent through the year 2002, the point at which this plan technically ends.

However, we have stretched our horizon to the year 2010, knowing that a dramatic change in workloads will begin to occur in the years just preceding. We must begin now to position the Agency so it is prepared to handle the increases in claims expected as the baby boomers reach

their disability-prone years (their 50s) and then retirement age.

- **Workforce of the Future**

The demographics and characteristics of the workforce of the future are expected to be significantly different. The need for workers with specialized knowledge and skills will grow.

Competition for workers will be fierce, and sustaining the ability of government in general and SSA in particular to attract and retain candidates will be a challenge. Workers are expected to move more from employer to employer, and that situation will require different management styles than have been used in the past. Demands for employee-friendly working conditions will increase and will change as the definition of "employee-friendly" changes. SSA will have to create new ways of doing work so that we can hire and retain the people we will need.

- **Public Concern with Program Financing**

Monitoring and maintaining the fiscal viability of the programs is an ongoing responsibility of SSA's program management. Recent projections of the effects that the baby boom and subsequent baby bust will have on program income and outgo over the next 50 years indicate that, under current law, SSA will not be able to pay full benefit amounts to its beneficiaries beginning in the year 2029.

Various factors, including a declining respect for the role of government overall, a generally favorable economic climate, the promise of seemingly more viable financing schemes being implemented in the systems of other countries, and changing cultural values, have reduced the confidence of the public in the Agency and the programs.

Although the Social Security programs still enjoy strong support among the majority of Americans, the strong and early public concern with pro-

gram financing issues has raised the pressure for an early solution to the financing issue. The urgency created has reaffirmed our resolve to understand and help all involved parties understand and respond to the needs of society at large, not just the current beneficiaries of our direct services.

- **Information Technology**

The explosion of information technology presents SSA with vast opportunities. The ability to obtain and process information in amounts, at speeds, and at costs unthinkable just a decade ago offers us a potential solution to the issue of burgeoning workloads while giving us the keys to becoming a model of customer service. Accuracy of information and benefit payment, speed and facility of claims processing, convenient access to service, and

reduced fraud are the primary benefits of information technology.

Technology has been key in our successful movement toward a virtually paperless process, and the maturing technology and its acceptance in the world will support our ability to reach our ultimate vision of a virtually paperless environment.

Though certain advances have not been made as quickly as forecast in our 1991 strategic plan, the state of the art now appears to be on the verge of true commercialization of voice recognition and other artificial intelligence capabilities as well as electronic signature technology.

The widespread use of the Internet as a tool for communicating with the public and of the Intranet to communicate within an organization attests to the speed with which a change in technology can impact processes.

The technology explosion presents serious challenges as well. It requires a reaffirmation of our commitment to maintaining the privacy of our records. Where mass disclosure of information is a simple and economically attractive option, and where individual access to personal records can be easily accomplished electronically, balancing those factors with each individual's right to privacy could be daunting.

SSA began addressing issues of **Year-2000**<sup>1</sup> compliance a number of years ago, and we expect to be 100 percent year-2000 compliant by the end of 1998. Because of SSA's interrelationships with other organizations both public and private, certain data interchanges and the work they facilitate may be at risk if Year-2000 issues are not adequately addressed by our business partners.

To mitigate the risk with other Federal organizations, SSA has been leading a Subcommittee of the Chief Information Officers' Council to raise awareness of the Year-2000 issue, address facets of the issue that cut across government, seek mutual solutions where possible, and share best practices.

- **Other Technology Advances**

SSA must consider the impact of other technology on our work and our workloads. For example, the traditional concept of disability is being changed by advances that permit individuals to remain in or rejoin the workforce despite their medical challenges. New medical technologies that may alter further the concept of "dependent" will merit attention, as will those that may result in now-unknown improvements in the state of healthfulness and life expectancy. Vigilance and broad outlook will be key to our ability to respond to the changing environment.

- **Customer Expectations**

SSA has always been close to its claimants, beneficiaries, and others it serves, and we are continually evolving the processes we use to determine their expectations. The general preferences of our customers today have been determined through SSA's extensive customer survey activities. The following general themes have emerged:

- Customer satisfaction with SSA service is generally high.
- Customer satisfaction is higher when waiting times in field offices are short.
- **Customer satisfaction is higher** when customers are able to reach us by telephone on their first try.
- Customers want their business to be completed with one call or visit.
- Customers want their disability claims processed faster.
- Customers would prefer to deal with the same SSA employee whenever they are conducting complex business that requires multiple business transactions.
- Customers would like "one-stop shopping" for benefits from Federal programs, such as Social Security, veterans' benefits, Medicare, Medicaid, and food stamps.
- Customers want choice in how they do business with SSA, depending on factors such as the kind of business they are conducting. In general, most like the convenience of the telephone; some still prefer to deal with us face-to-face; some prefer to use the mail; and still others would like to be able to use an electronic interface. All indications are that non-traditional methods of access to SSA services will increase in popularity as computer-literate generations age.

- **Budgetary Assumptions**

Budgetary constraints have been a fact of life for a number of years. Now, in light of the national commitment to balance the budget by 2002, resource availability becomes an even more significant consideration, and constrained resources continue as a planning assumption.

In the environment established by the Balanced Budget Act of 1997, specific amounts for each agency and each program will be determined in the usual budget development process each year, and SSA's final appropriation will be the result of the normal interactions between the Administration and the Congress.

## **Factors of the Internal Environment**

Understanding the relevant conditions of the Social Security organization itself is as important as understanding the challenges and opportunities that the external environment presents. Following are conditions at SSA that will require attention to ensure that the transition to our future is successful.

- **The Aging of the SSA Workforce**

Several human resources issues must be considered as we look to the future, but by far the most important relates to the aging of the SSA workforce. SSA could be facing a critical loss of knowledge and experience over the next 5 years. Nearly 20 percent of our employees will be eligible for regular retirement between now and 2002, with many of those being managers and more experienced employees. Though historical data lead us to conclude that a high rate of retirement is not likely, the large number of eligibles means that experiencing even the traditional rate of retirement could present a challenge to SSA.

- **Employee Expectations**

Employees have been asked their opinion about what the service vision for SSA should be. For the most part, their answers mirror the answers of the public. Employees participating in recent focus groups have voiced the following opinions concerning SSA and their own working environment:

- SSA should adopt an aggressive posture to protect the trust funds and fight against fraud.
- SSA should be clear in stating its mission and supporting it through the decisions it makes.
- A variety of media should be used in pursuing a major strategy to educate and inform the public.
- Guidance is needed so that employees can more clearly understand what the Agency's workload priorities are.

- Strong and visible leadership is necessary, and it should flourish in an atmosphere of employee involvement and personal accountability.
- The work environment should promote safety, health, and employee well-being.
- Better training, technology, and communications are necessary to raise the level of employee and management effectiveness.
- A managed strategy is needed to attract and retain capable employees; it would include attention to things employees themselves care about, such as job enrichment, pay equity, and alternatives to the traditional workplace.

- **Organizational Capability**

SSA has looked at its organizational capability in order to identify areas where improvement would be advantageous. For example, in assessing what fulfilling our new role as an independent agency within the Executive branch might require, we recognized that strengthening

our capability for policy development, research, and program evaluation would offer important benefits.

In addition, while SSA has achieved strong business results, the Agency's management and support processes could be enhanced. We have successfully implemented major portions of the 1991 strategic plan and implemented a strategic management process that supports decision making. Still, SSA must look for ways to continue evolving in the areas of strategic thinking and planning support.

Recent streamlining and redeployment strategies have increased the percentage of Agency employees devoted to direct service to the customer. They also have reduced the numbers of managers in all SSA components. That change alone dictates that we must be more creative in managing work and that we must involve employees and their representatives as we assess the possible impacts of changes on the workforce. It also means that we will continue to reexamine the types of jobs we traditionally have had and make allowances for being in an age of both more automated information processing and a less hierarchical style of management.

SSA's greatest strength lies in the attitudes, skills, and drive of its employees. The customer-service orientation that underlies our culture has been largely responsible for our ability to persevere in the face of important challenges. Creative use of the talents of all employees will ensure that we can develop and implement nationwide initiatives to support effective and efficient operations.

## **Continuing Conditions**

Beyond the assumptions we have made about external factors, we have made a few assumptions about the conditions that we expect to remain constant through 2002. They are listed below:

- SSA will continue to provide services through its close partnership with State Disability Determination Services (DDS).
- SSA will continue to administer and oversee the administrative appeals process.
- SSA will continue to have a network of community-based field offices and other service-providing sites to meet the continuing demand for a wide range of integrated human services.
- SSA will continue to use labor-management partnership to cooperatively implement change.

## **Part III -- The Centerpiece of Our Plan: *SSA's Mission and Goals***

### **The Mission and Values of SSA**

As we look to the future and the role that the Social Security Administration will have in it, we have found it valuable to look back to the first years of the program. Then, the concept of social insurance was new to our nation. There was a conviction that the general welfare depended upon establishing and continuing a strong social security system that

maintained the support of the public by being responsive to their individual and collective needs.

Though the environment today is vastly different from the one in which the programs were created, we believe that such a conviction still thrives. To support that conviction and reinforce SSA's role in maintaining a strong social security system, we now frame the mission of the Agency this way:

#### ***The Mission of SSA:***

***To promote the economic security of the nation's people through compassionate and vigilant leadership in shaping and managing America's social security programs***

- **Our Vision**

As we pursue the SSA mission, the vision that propels us is rooted in our social conscience, a pride in the quality of services we deliver, and a deep realization that what we do makes an enormous difference in the quality of life of millions of people.

In this vision, SSA plays a role in shaping an even better world than we live in today. In that

world, the aged, the disabled, and the survivors of those who die have the financial security to live with dignity. Workers who pay for Social Security and SSI acknowledge their value to themselves, their families, and society as a whole. And we who serve both workers and beneficiaries enhance our own dignity through the job we do and the way we do it.

- **Our Values**

This vision can only exist for SSA if all employees accept and support certain principles

as the foundation for their work. At SSA, our values are reflected in these commitments:

### ***SSA'S VALUES***

***To treat every individual with equal regard and respect***

***To act with integrity***

***To imbue quality in all we do and help others do the same***

***To remember that courtesy and compassion mean everything***

***To listen carefully and to act on what we hear***

***To respect stability and embrace change, keeping what works and changing what could work better***

***To value diversity***

***To discharge faithfully our role as guardians of the public trust***

***To act with this thought in mind: to millions of people, we ARE "the government"***

## **SSA's Strategic Goals and Objectives**

In refreshing the Agency's strategic plan (ASP), SSA looked carefully at the overarching goals that have guided our planning over the last several years along with the service-delivery goals established in 1991. Those goals focused our activity in important ways. In particular, they showcased the commitment to service that continues today.

With this plan, we have revised our mission statement and created an improved set of five general goals that encompass all of our program activities, address the universe of competing needs of the wide variety of SSA stakeholders, and give meaning to the work of every Social Security and DDS employee.

Each goal has supporting objectives. They add specificity and define what the goals will mean for SSA over the next 5 years. Target levels of performance have been or will be established for each objective; they will reflect our need to

balance the competing priorities of stakeholder expectations, external forces, internal capabilities, and budgetary constraints.

In many instances, we have set improvement objectives, intended to stretch us to higher levels of performance during the next 3 to 5 years. In others, we have set objectives to maintain current levels of performance to ensure that this performance does not slip unintentionally because we focused on other priorities. In some instances, where we are devising new ways to measure our success, we cannot set actual targets until those measurement systems are in place, even though we may pursue initiatives that are expected to have a positive impact on performance.

In the 1991 ASP, SSA identified 5 strategic priorities that drove our subsequent planning activities. This year we have chosen to identify our priorities in a different way. We have looked at our whole set of strategic objectives (themselves a statement of priority) and identified the priorities among them by the level of performance specified.

One of SSA's priorities over the coming years will be to address the health of the SSI program, which has been placed on the "high-risk program" list maintained by the General Accounting Office. We will be focusing



on all aspects of SSI program management in a comprehensive way, and we expect to have developed an overall strategy for SSI program improvement by mid-FY 1998.

However, major improvement objectives for the SSI program will be found in the discussions of various goals throughout this plan because our strategic goals and objectives cut across program lines. For example, a major concern exists about the amount of dollar error in the SSI program. Our intention to address this concern is reflected in the improvement target for dollar accuracy in SSI that we have set as an objective, along with objectives to address fraud and to increase continuing disability reviews, under our strategic goal to make SSA program management the best in business. Strategies to reach this improvement objective will be integrated, as necessary, both with strategies to address other issues in SSI and strategies to address dollar accuracy in other programs.

In the discussions below, we identify some of the measures that we use today to indicate our success relative to our goals and objectives. To provide a basis for thinking about where the future might take us, we have included current levels of performance. We will continue to use many of these measures at some level for management purposes, and we will set targets for some of them in our annual performance plan.

We recognize that no measure or measurement system is perfect. We will work diligently in partnership with the union and our oversight organizations to ensure the reliability, validity, and integrity of our systems of measurement and evaluation. In addition, SSA will continue to utilize the results of the OIG's independent audits, evaluations, and investigations to improve Agency programs and operations and protect them against fraud, waste, and abuse.

As we pursue new strategies and create new initiatives to achieve our objectives, we are mindful of the value that our partnerships with other Federal agencies can provide. We are already undertaking a number of initiatives in cooperation with these partners, and we will continue to look for opportunities to combine forces with our Federal colleagues to increase our mutual value to the public. For reference, a list of agencies with whom we interact in a major way on a regular basis has been included in Appendix C.

### **GOAL:**

***To promote valued, strong, and responsive social security programs and conduct effective policy development, research, and program evaluation***

The ultimate intent of this goal is for SSA to help create *responsive* programs--programs that provide value by meeting the needs of the varied constituents today and adapting to the changing needs of constituents tomorrow.

To be *responsive*, we must focus attention on policies that need to be changed to improve the quality of life for program beneficiaries. For the disabled, it may require us to restructure our programs to help individuals quickly return to the workforce. This will respond not just to the loss of personal income but to the loss of personal dignity that many people experience when they are unable to work. To be *responsive* is to meet the needs of individuals and society at large for social security.

In addition, the programs must be *strong*--able to respond to changing environmental conditions like economic downturn and demographic shifts. Both *strong* and *responsive* imply both stability and flexibility in program structure. They also imply continuing fiscal viability of the programs.

At the same time that some objective value of the programs may be established, the people for whom the programs were created must themselves see the value of the programs. Programs that are *valued* are supported both conceptually and financially. When programs are valued, members of the public are willing to invest their tax dollars. They are also willing to invest their ideas, energy, and support--resources critical to the maintenance of strong programs devoted to the public good.

This goal recognizes that leadership in shaping the programs cannot be achieved without expertise. We will reestablish the expertise to conduct ongoing research, policy analysis, and evaluation. This work will help us identify key issues and support the development of creative and responsive policy solutions and legislative proposals to address the issues identified.

### **Objectives of Our Goal to Promote Responsive Programs**

To realize this goal, SSA will pursue the following objectives:

- To support the principles of social adequacy and individual equity in the OASI and DI programs
- To support an SSI program that provides appropriate benefits to the nation's most needy aged, blind, and disabled people and links effectively with other assistance programs
- To support the executive and legislative branches in a bipartisan effort to preserve Social Security for the long run
- To decrease the need for long-term disability benefits by helping people return to the workplace
- To build and strengthen SSA's capacity to undertake necessary research, evaluation, policy development and actuarial studies for the Social Security and SSI programs

## **How We Will Measure Achievement of Our Objectives**

We will continue tracking the performance of our programs using various traditional and new outcome measures to help us and others assess whether Social Security and SSI are achieving their intended outcomes. However, because the outcomes of the Social Security and SSI programs are influenced by a wide range of conditions and decisions made in society, SSA will not be setting performance targets for those indicators.

Examples of the traditional measures used to track program performance, along with performance levels in 1996 (unless otherwise noted), are as follows:

### **FOR PROGRAM ADEQUACY**

#### **Aged population with income below the poverty line:**

- 12% of aged Social Security beneficiaries are poor; without Social Security, that poverty rate would instead be 54%

#### **Level of Social Security coverage of population:**

- 96% of jobs are covered by Social Security
- 95% of people age 65 or older are already receiving benefits or would be eligible to receive benefits when they or their spouse retires
- 98% of children under age 18 and their mothers or fathers (with a child under age 16) are covered for Social Security survivors' benefits
- 80% of people 21-64 are protected under the DI program

#### **Percent of poverty gap filled by SSI Federal benefit:**

- individual ----- 72.9%
- couple----- 81.7%

### **FOR EQUITY**

#### **Earnings replaced by Social Security**

- Percent replaced for worker with average career earnings retiring at age 65:  
  
worker ----- 42%  
worker with spouse -- 65%
- Percent replaced for disabled worker with average earnings:

worker ----- 43%

worker with family -- 65%

#### **FOR FINANCING**

#### **Year of exhaustion of OASDI trust funds' reserve assets: 2029**

*[Under current law and using the most likely economic and demographic assumptions, the 1997 report of the Social Security Board of Trustees estimates that, in 2029, the assets of the combined OASI and DI trust funds will be exhausted, and OASDI income and assets will not be sufficient to pay 100 percent of benefits due. At that time, the estimates indicate that annual tax revenues would be sufficient to cover about 75 percent of annual expenditures.]*

#### **Return on trust fund investments**

- Combined assets of the OASI and DI trust funds earned interest at an effective interest rate of 7.6%

#### **FOR RETURN-TO-WORK**

#### **Individuals who leave the disability rolls because they have returned to work:**

- 0.15% /yr (about 7,000 people)

We will work to develop and report on new measures to support improvement of the programs. Examples of measures we may explore include new measures of social adequacy, individual equity, impacts on the basic living standard of beneficiaries, and public satisfaction with the Social Security programs.

Since we will not be setting performance targets for SSA using most of these program-outcome indicators, our focus will be on the measures and milestones described below. For the most part, SSA's success in achieving this goal will be determined by how relevant and useful our research, program planning, policy analysis and development, and program evaluations are to policy makers. Our intention is to become the most respected source of information and advice on Social Security-related policy issues.

Our measurement focus will be on the timely completion of quality research and policy analysis, the clear communication of our findings to those who can use them, and high frequency with which our information and recommendations are sought and used to positively impact policy change. For each specific area of interest, we will establish milestones whose attainment will provide exceptional value to the policy development arena. For example, we will identify a timetable for completing the work needed to support the development of proposals to preserve Social Security in the long run.

In the case of reducing the dependency on long-term disability benefits,

we will be using a direct measure to determine success: the number of people who leave the benefit rolls because they have returned to the workforce<sup>2</sup>. For now, we will track our initiatives as a way of ensuring timely progress toward the objective. As legislative and policy solutions are effected, SSA will set higher targets and implement the policies and processes needed to achieve them.

## **How We Will Achieve Our Objectives**

Achieving the objectives of this goal will require a number of important general steps. Perhaps the most important will be the revitalization of our research and policy analysis capacity, both internal and external, so we can address the most pressing needs of the public effectively and efficiently. In doing so, we will involve all parts and aspects of our own organization. Additional SSA human and other resources will be required to support the revitalization effort.

Many universities, research centers, other levels and agencies of government, and other entities also study and propose changes in our programs. We plan to involve them directly through extramural funding to meet our broad research needs.

Another important step will be to create new strategies for ascertaining what the most pressing concerns of the public are. We will begin by strengthening existing means of understanding what the public expects; for example, studying more closely statistical information already available, enhancing work with advocacy groups, community organizations, and external research organizations, listening more closely to the messages our own employees get from the public, and reinforcing ties to our colleagues throughout the various branches and levels of government.

SSA will be developing a comprehensive customer input program that will focus in part on obtaining information from members of the public about their satisfaction with SSA's policies. We will also obtain broad input into the development of the research and policy analysis agenda and of the policy alternatives themselves, which will help us prioritize, coordinate, and synchronize SSA and non-SSA resources devoted to these policy issues.

We have identified the need to develop, test, and validate many new assessment instruments. We will build a retirement policy modeling capacity and increased capability to assess the impacts that various program proposals would have on different income and other groups. Basic and applied research relies heavily on access to a variety of different but related data. We will strengthen analytical data bases and data linkage capacities, and create an internal administrative data clearinghouse.

Of course, achieving the specific objectives of the goal will require subject-specific efforts. For example, in order to support the effort to preserve Social Security for the long run, we will conduct the necessary

research, policy development, and actuarial analysis. In terms of the DI trust fund, we will complete the work to model and analyze disability growth factors to explain factors that result in changes in application and award rates. By 2001, we intend to report on the size of the pool of "disabled" individuals not on our rolls and what enables some of them to remain in the labor force.

To reduce the need for long-term disability benefits, we will develop proposals for program changes that will lead to increased work activities. By 2001, we will complete the methodology for making sound decisions regarding the capacity for persons with disabilities to work, and by 2002 we will complete all return-to-work research and analysis.

This will include testing and validating functional assessment instruments and testing and evaluating return-to-work alternatives. It will also include identifying and helping effect changes in such areas as health care benefits, child care, and transportation availability that will support return to work. This strategy will require SSA to coordinate our efforts with other government agencies.

A first step now under way is SSA's legislative proposal entitled "Ticket to Independence." This would establish a rehabilitation provider incentive program under which DI and SSI disability beneficiaries would be given a "VR ticket" that they may use to obtain vocational rehabilitation and employment services from a public or private vendor of their choice.

SSA's overall strategy for SSI program improvement, to be described by mid-FY 1998, will focus on promoting both an efficient and effective SSI program, and various parts of that plan will address objectives under several strategic goals. To support the effectiveness objective under this goal, the strategy will include our continuing to evaluate the policies and administration of the SSI program to assure that appropriate benefits reach those in need. We will also actively seek to enhance programmatic, administrative, and information-systems linkages with other assistance programs to better serve and provide meaningful assistance to needy individuals.

Achievement under SSA's goal to strengthen public understanding of the Social Security programs will be a strong contributor to our success in this goal. Under that goal, we will create an environment that fosters considered thought about program issues and enables members of the public to participate as active partners in achieving success.

One important external factor in successful achievement of this goal is an environment of bipartisan commitment to finding the best overall approach to achieving desired program outcomes. While the programs may be made more responsive through policy and regulatory changes within the direct control of SSA, some changes will require legislation.

### ***GOAL:***

## ***To deliver customer-responsive world-class service***

This is our traditional goal, the one that explicitly or implicitly has guided the actions of most SSA and DDS employees throughout our history. It reflects the millions of actions taken throughout the Agency that have made SSA "the government" to millions of individuals.

This goal is directed specifically toward the way we convey service to the people who conduct business with SSA. Through this goal, we are not just *focusing* on our customers but being *responsive* to the needs and desires of our customers.

SSA continues to make great strides in both finding out what our customers want and in setting our objectives to reflect achievement from a *customer*--not an *Agency*--point of view. The major expectations of our customers, outlined on page 7, have driven us to emphasize convenience of access and timeliness of service in this plan as we attempt to raise our overall level of customer satisfaction.

*World-class* has become a term worn from overuse. But we are reemphasizing the term to ensure that our stakeholders understand that we are steadfast in our commitment. SSA aims to provide not just the kind of service that customers expect from government, or even the best service that government has to offer, but

the kind of service that every organization--public or private--would hope to emulate.

We already have world-class aspects in some service areas, and we have achieved public recognition of world-class stature in providing service through our 800 number. We intend ultimately to achieve world-class stature in every aspect of our service as the new century unfolds.

### **Objectives of Our Goal of World-Class Service**

To realize this goal, SSA will pursue the following objectives:

- By 2000, to increase the range of program and information services available to customers over the phone or electronically
- To raise the number of customers who receive service and payments on time; specifically,
  - by 2002, to issue initial DI claims award/denial notices within 6 months after onset of disability or 60 days after the effective filing date, whichever is later, to 75% of applicants
  - by 2002, to issue initial SSI disability claims award/denial notices within 60 days of filing to 50% of applicants
  - by 2002, to issue notices of hearing decisions to 30% of

requestors within 120 days from the date of request for a hearing

-- to maintain, through 2002, current levels of timeliness in processing OASI and SSI aged claims

- By 2002, to have 9 out of 10 customers rate SSA's service as good, very good, or excellent, with most rating it excellent

## **How We Will Measure Achievement**

SSA currently uses a number of indicators to chart our progress in achieving world-class service. We will continue to use most of those at some level in the organization. Examples of current performance indicators in use at SSA, along with the level of performance we achieved in 1996, are as follows:

- **Access**

Percent of public with an appointment waiting  
10 minutes or less: 85%.

Percent of public without an appointment waiting 30 minutes or less: 70%

Percent of individuals who successfully access<sup>3</sup> the national 800 number within 5 minutes of their first call:  
83%

- **Processing Times**

Percent of OASI claims processed by the time the first regular payment is due or within  
14 days from effective filing date, if later: 83%

Average OASI claims processing time:  
13.5 days

Percent of initial SSI aged claims processed within 14 days of filing: 66%

Average SSI aged claims processing time:  
15.5 days

Percent of DI initial claims decided within  
6 months after onset of disability or within  
60 days after effective filing date, whichever is later: 57%

Percent of SSI initial disability claims decided within 60 days of filing: 29%

Processing time for initial disability claims:  
89 days

Percent of hearings decisions made and notices sent within 120 days of filing for a hearing: 12%

Processing time for hearings: 392 days

Percent of original and replacement Social Security cards issued within 5 days of receiving all necessary



documentation: 97%

- **Customer Satisfaction**

Percent of public rating SSA service as *good* or *very good*: 79%

Percent of public rating SSA staff as courteous or very courteous: 85%

Percent of public who are *satisfied* or *very satisfied* with the clarity of SSA mail: 78%

Percent of 800 number calls handled accurately (service accuracy)<sup>4</sup>: 80%

We have traditionally measured SSA's service performance using the factors that we understood to make a difference to customers. Having obtained more information about what satisfies customers, we now need to develop new measures and measurement systems to collect information about those factors as well. We also will need to measure customer satisfaction in a way that helps us design appropriate strategies for improvement.

One new measurement that we will use relates to 800-Number access. While we will continue to measure the rate of access within 5 minutes, we will also measure how often a caller gets through on a first attempt.

For 2000, our targets will be to continue the 95-percent-within-5-minutes rate and to assure that callers can get through on their first attempt 90 percent of the time.

Until we create new measurement systems in other areas, incremental improvement will be gauged using such measures as average processing time; counts of cases received, processed, and pending<sup>5</sup>; and achievement of major milestones in critical projects directed at creating new service levels/modes (such as pursuing automatic entitlement).

## **How We Will Achieve Our Goal of World-Class Service**

As explained above, SSA's primary emphasis on achieving world-class service will be focused on improving convenience of access and processing time. In addition, we expect to pursue other major improvements to raise the public's overall satisfaction with service. Because achieving world-class service has been a focus of the Agency for a long time, we already have a number of major initiatives under way that will have an impact on goal achievement.

We note here that we have in the past considered payment accuracy a critical factor in providing "world-class service." In this plan, we have defined "service" more narrowly to focus more specifically on aspects of direct interaction with our customers. Accuracy, still of premier importance in our administration of the Social Security programs, is now reflected in our goal to make SSA program management the best in business.

- **Access**

Much of the energy of the Agency over the last several years has centered around improving access to our 800 number. We have been very successful in improving our access rate, and we will continue our initiative to ensure that access rates remain high. In addition, we will continue to enhance community-based service as well as improve the ability of our other processing centers to provide direct service.

We will establish a method for determining access and service-accuracy rates for telephone calls to local offices. We will use the information obtained to develop improvement initiatives. We will develop options for a process of automatic entitlement for benefits. We will create flexibility in our hours of service availability through a variety of interfaces.

One major new initiative for improving access to service will expand our ability to take retirement and survivors' claims immediately over the phone. Although we frequently take such claims by phone today, they are usually taken by employees in the field offices. Callers who access SSA using the 800 number are given a future appointment with a local office if they want to file a claim in person or by phone. By 2000, we will be able to take retirement or survivors' claims immediately over the phone or in person, as long as the claimant has at hand the information we need.

Finally, as expressed in our assessment of external factors, all projections (along with our own experience) indicate that electronic service delivery (ESD) is a growing service-delivery mechanism for the future. If we are to provide our customers the means to do business with us as they prefer, and if we are to provide excellent service with declining resources and growing numbers of customers, we will need to expand opportunities for individuals to conduct business electronically.

Though we have been pursuing ESD at increasing levels over the last 6 years, the time has come for SSA to focus more diligently on ensuring that electronic service becomes a viable alternative for the customer of the future.

- **Processing Time**

Reducing the long delays in disability claims processing times (both at the initial decision level and the hearing level) has been one of SSA's greatest priorities for service. The current initiative that is most important to timeliness of service is the Disability Process Redesign (DPR), our overhaul of the process through which decisions to award or deny disability benefits are made.

Achieving the objectives of the DPR will be critical to our meeting our processing-time objectives for disability claims and appeals.

The scope and complexity of the redesign project have presented significant challenges to implementation. In response to these challenges, we recently completed an assessment of the project and narrowed our focus to the areas most critical to success.

Two other major initiatives are critical to achieving the objectives of Disability Process Redesign. One is the Reengineered Disability System (RDS), which will provide supporting software to automate the new process. The other is the installation of intelligent workstations and local-area networks (IWS/LAN) Agency-wide that will serve as the enabling automated systems platform.

Related initiatives will focus on reducing the backlogs in the disability claims and hearings processes and advancing the use of electronic systems to request, receive, and manage medical evidence (i.e., *medical informatics*).

In the area of postentitlement<sup>6</sup>, current and planned systems automation efforts will result in increased accuracy and timeliness. If further analysis shows that more improvement in the timeliness of postentitlement actions is necessary, new strategies will be developed.

- **Customer Satisfaction**

SSA has set high standards for overall customer satisfaction; paying careful attention to what our customers tell us will continue to be key as we develop new strategies to address their service concerns.

Every year, SSA issues more than 250 million pieces of correspondence to customers. Current surveys indicate that a critical indicator of satisfaction is the ability of individuals to understand the notices we send them about their benefits. Numerous changes have been made over the years, and improvements have been dramatic. This year, we will begin to redouble our efforts to ensure that notices are clear and concise. In addition, we will be enhancing electronic access to our data bases to ensure that we can respond immediately, both in person and by phone, to questions customers have about any notice they receive from us.

Producing clear notices has other benefits besides improving customer satisfaction directly. The less time required to explain misunderstood notices to customers, the more time SSA employees have to provide better service to more people.

We have successfully honored our commitment in the 1991 ASP to ensure that our non-English-speaking customers can conduct their business with us. Given the continuing demand for services in a language other than English, and the increased accuracy and reduced fraud that result from attention to the language-barrier issue, we will continue current strategies in this area.

Information gathered from customers in recent years has indicated that satisfaction could be improved dramatically if we made two changes: if most business could be completed after requiring only a single customer contact with SSA; and, for complex, critical business that could not be completed this way, if the customer could continue to deal with the same SSA employee until the business is completed.

A key strategy, therefore, for world-class service will be to enhance our systems and processes to ensure that only a single contact is necessary wherever possible. Some improvements already under way (for example, the improved automation of the postentitlement systems) will facilitate many more actions being completed at the first point of customer contact. As we review new improvement ideas, a key design consideration will be the extent to which they support this strategy.

We normally consider employers as our partners in enabling our administration of the Social Security programs, and we will strengthen the strategic business partnership SSA has with the employer community to improve the timeliness and accuracy of information used to provide benefits.

In addition, however, employers can be thought of as the customers of improvements to both our enumeration and earnings processes. To support them in their role as customers, SSA intends to improve the process of electronic verification of Social Security numbers to permit verification overnight. Today, such verifications may take up to 2 weeks to be processed.

Advances in information technology will be key to improvements in customer satisfaction. We intend to improve our automated systems continually and explore and implement technological innovations, as appropriate, in order to improve (and reduce the cost of) customer services to claimants, beneficiaries, employers, and other customers of our services.

SSA's overall strategy for SSI program improvement, to be described by mid-FY 1998, will focus on promoting both an efficient and effective SSI program, and various parts of that plan will address objectives under several strategic goals. To support the objectives under this goal, the

strategy will include evaluation of and revision to the policies and administration of the program to improve claims-processing times, access to SSA, and overall satisfaction of the SSI population with SSA's service.

One important initiative at SSA will result in an integrated, Agency-wide process for obtaining customer input to use in planning and assessing performance. We expect the new process to help us not only collect the right information at the right time but also to better understand and use the information for performance improvement.

Achieving the objectives of our goal to become an employer that values and invests in employees is critical to our achievement of world-class service. Employees who are called upon to provide great service cannot do so without the tools, the training, the motivation, and the support to do so. Professional working conditions for employees create a more businesslike atmosphere for members of the public who visit our offices.

### **GOAL:**

#### ***To make SSA program management the best in business, with zero tolerance for fraud and abuse***

This program-management goal reflects SSA's responsibility, from both a service and a business perspective, to pay benefits accurately and otherwise be a good steward of the money entrusted to our care. We are setting our standards very high to reflect our view that the public deserves the highest possible level of performance consistent with fiscal responsibility.

A strong component of this goal is our commitment to pay benefits accurately--to ensure that the right people get the right payment. Because SSA's annual program outlays are so large--over \$367 billion in 1996--even very small percentages of inaccuracy can mean millions of dollars not paid correctly. Ensuring accuracy is, therefore, always among our highest priorities. We focus both on making payments correctly to begin with and then correcting errors quickly after they occur. In addition, when inaccuracies involve overpayments, we do our best to recoup the overpaid money.

Our assertion of a zero tolerance for fraud and abuse means that we will increase our attention on deterring fraudulent activities and on bringing to justice those who practice them, whether members of the public or of our own employee population. It reflects our ideal that we must remain vigilant if we are to fulfill our role as capable stewards of the public trust.

SSA's ability to fight fraud effectively is dependent on a variety of external factors, not the least of which are the resources and strategies of the State and Federal law enforcement agencies who investigate and prosecute cases of fraud. Examples include the offices of the U.S. Attorneys and the Postal Inspection Service.

This goal has a very practical side. Current assumptions about the resources that will be available in a balanced budget environment and the workloads that we expect to be processing as the baby-boom generation ages force us to conclude that only by becoming as good as the best in business can we ensure that we have both the resources and the public support that will be required.

SSA has always striven to make sound decisions, balancing the desire for excellence in service with a strong concern for fiscal responsibility. By including an objective in this goal that makes the need for such balance explicit, stakeholders may understand better what drives our

decisions. We all understand that nearly every service improvement involves spending resources of some kind. This goal, with its new and explicit emphasis on productivity improvements, now reminds us all that we must not just work better but find ways to make the work we do cost less.

### **Objectives of Our Program Management Goal**

To realize this goal, SSA will pursue the following objectives:

- To make benefit payments in the right amount; specifically,
  - to maintain, through 2002, the accuracy of OASI payment outlays
  - to maintain or improve, through 2002, the accuracy of DI payment outlays
  - to raise to 96 percent, by 2002, the accuracy of SSI payment outlays
- To become current with DI and SSI CDR<sup>7</sup> requirements by 2002
- To maintain, through 2002, current levels of accuracy and timeliness in posting earnings data to individuals' earnings records
- To aggressively deter, identify, and resolve fraud
- To increase debt collections by 7 percent annually through 2002
- To position the Agency's resources and processes to meet emerging workloads

### **How We Will Measure Achievement**

SSA has a number of current measures of performance in the area of program management. Examples of them, along with levels of performance in FY 1996 (except as noted), follow:

- Percent of payment outlays free of overpayments:  

OASI	-----	99.8%
SSI (non-medical only)	---	94.5%
- Percent of payment outlays free of underpayments:  

OASI	-----	99.8%
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SSI (non-medical only) -- 98.8%

- Percent of DDS decisional accuracy: 96.9%
- Percent of Social Security numbers (SSNs) issued accurately: 99.6%
- Percent of 800 number calls handled accurately (payment-related)<sup>3</sup>: 94%
- Percent of increase in debt collected (FY 1996 over FY 1995): 8%
- Percent of earnings posted to individuals' records by Sept 30th: 98%
- Percent of earnings items posted correctly: 99%
- Percent of increase in SSA's overall productivity (excludes DDSs): +2.3% (FY 1996 over FY 1995)

New emphases will require new measurement systems to be developed in a number of areas. We currently measure the percentage of accuracy in disability decisions made by the DDS. However, we do not yet have a measure for the overall accuracy of payments in the disability rolls. Because we believe that any problems of inaccuracy most likely arise in the area of continuing medical rather than non-medical eligibility for disability payments, we intend to focus on that aspect first. Doing so will also help us complete the measurement of accuracy in the SSI program.

Once we know our baseline, we will revise our DI accuracy objective as appropriate. We will conduct a pilot of a system for determining the accuracy of the non-medical aspects of DI payments before we decide to expend resources to obtain such information.

New measures of fraud will be used. They include the percent of fraud allegations accepted for investigation that are resolved and the percent of identified critical vulnerabilities that are eliminated. To address fraud deterrence, other non-quantitative indicators, such as progress in achieving milestones or deliverables of critical initiatives, may be appropriate. Although they are not technically outcome measures, we believe they will be good indicators of how well we are achieving improvements in our fraud program.

At present, we measure productivity separately in SSA and the DDSs. In order to understand the ramifications of future conditions and our progress in dealing comprehensively with them, we will look at creating a combined productivity measure for all of the human resources (SSA and DDS) that do the Agency's work.

Success in this objective is defined as whether we are able to process the workloads we are receiving. At present, we are looking at a measure of workloads processed as a percent of workloads received to reflect this result, but further study will be needed to decide what the most valid measure would be.

## **How We Will Achieve Our Program Management Goal**

OASI benefit payments represent 82 percent of our annual program outlays. Making those payments accurately is obviously critical to our essential stewardship role. Because our accuracy levels are already so high (99.8 percent), there is little that can be done to noticeably raise the level of performance in this area. Still, customers are affected by payment inaccuracies, no matter how few, and maintaining a high performance level requires attention to ensure that slippage does not occur. We will focus on areas of known inaccuracy to make improvements.

In DI and SSI, we have identified areas for emphasis that would likely have an appreciable though as yet unmeasured impact on payment accuracy in those programs. Several new initiatives will be pursued that are expected to have a relatively large impact on maintaining or improving the accuracy of payment outlays. They include an expansion of a current initiative to increase on-line, real-time access to data held by other organizations; the development of strategies to eliminate the causes of SSA and customer error; and simplification of the SSI program.

In addition, because regular conduct of CDRs ensures that only individuals who continue to be eligible remain on the rolls, our initiative to become current with CDRs should have a relatively high impact on the accuracy of DI and SSI benefit payments. Numerous other initiatives, such as DPR and SSA-initiated PEBES<sup>2</sup>, also will have an impact on accuracy.

Because SSA's earnings file is the basis for eligibility and payment decisions in the OASDI program, having accurate records of earnings is important to overall payment accuracy. At present, SSA is able to post to its earnings file 99 percent of the earnings reports it receives annually. Still, with about 240 million earnings items reported to SSA every year, there are a number of earnings postings that cannot be made to the file in a timely way because they contain errors or omissions.

The critical role that employers play in ensuring that our earnings records are accurate, and that ultimately we pay the right benefits to the right people, cannot be overemphasized. To help them fulfill their responsibility, we will pursue a comprehensive strategy to ensure that employers have the tools they need to report earnings easily and correctly.

One facet of the strategy will be to complete current earnings improvement initiatives and provide overnight SSN verification. A second will be to provide continuing access to staff who are knowledgeable about

employer-related issues and processes.

A third will be to improve wage-reporting procedures. In this regard, our overall strategy is to expand the use of electronic reporting by giving employers the option to transmit wage reports electronically using a PC or high-speed data transmission lines. However, recognizing the efficiencies that certain employers can achieve by using magnetic media, we will continue for the foreseeable future to give employers a choice in reporting method.

While slowing the rate of growth of the suspense file (where records of earnings that cannot be posted correctly are maintained), SSA will look for new ways to post earnings that already reside on the file.

SSA already has an aggressive initiative under way to combat fraud. We intend to expand that initiative to include a plan for identifying and eliminating critical vulnerabilities in each major program. Simplification of the SSI program should lead to reduction of opportunities for fraud. An important enhancement to our fraud program will be the new strategy SSA is developing to deal with security in the information age.

The OIG has a statutory responsibility to help prevent and detect fraud and abuse; its activities form an integral part of our strategy to promote zero tolerance for fraud and abuse.

As we strive to be best in business, a primary focus will be on avoiding both underpayments and overpayments. However, knowing that making some overpayments is unavoidable for a variety of reasons, we will continue to pursue our current strategy to improve debt management. This requires us to make maximum use of all tools available to us, such as administrative offset, credit bureau referral, Federal salary offset, collection agencies, the charging of interest, and tax refund offset for beneficiaries.

Our last objective under this goal may be the most difficult one to achieve. For the most part, the other objectives under this goal relate to expenditures of program dollars, not administrative dollars. This objective is aimed at ensuring that we have appropriately positioned our administrative resources to administer the programs.

We intend to take the issue on in several important ways. The traditional way to approach the issue, process improvement, will be a major facet of our approach. We will look for ways to streamline our processes by eliminating tasks that no longer add value, eliminating unnecessary movement of work from one person or location to another, consolidating tasks, and so forth. We will benchmark other organizations. And we will continue to pursue the major redesign initiatives already in progress that promise increased productivity.

Examples of current or new initiatives that are expected to have a major



impact on this facet of our approach include reducing the number of cases pending in the disability claims and hearing processes; medical informatics; program simplification; Disability Process Redesign; IWS/LAN; hearing office process improvements; redesign of the automated systems for processing OASI; creating an integrated training program for priority needs; and accelerating the redesign of the policy process.

A continuing emphasis will be placed on transforming SSA into a virtually paperless Agency, with focus on the automation of our administrative processes. Achievements so far in paperless processing have produced a number of efficiencies, including a large reduction of file-storage costs in our processing centers. Making the Agency virtually paperless supports our overall program-management strategy of reducing the need for human intervention in the conduct of SSA business.

SSA's overall strategy for SSI program improvement, to be described by mid-FY 1998, will focus on promoting both an efficient and effective SSI program, and various parts of that plan will address objectives under several strategic goals. To sum up from a program view, the strategy will support the objectives under this goal by including evaluation of and revision to the policies and administration of the program to ensure accuracy of payment, efficiency of process, and integrity of the program.

Though we will be looking for ways to implement this strategy in all of our processes, the most promising may be the expansion of opportunities to deliver service electronically. In addition to providing more convenient access for our customers, electronic service delivery will reduce cost through reducing manual intervention, reduce error, and ultimately improve the security of SSA's data.

However, there are other facets of the strategy beyond improving the ability of available resources to do the work. Other conceivable strategies may include using third-party assistance in our work; reducing the work itself; and supplementing the administrative resources available to the Agency.

To help resolve the conflict of rising workloads and constrained resources, a new human resources strategy, as outlined under our goal to value employees, will be required to ensure that we have not just the right number of people we need but the right people with the right skill levels to tackle the jobs of the future.

### **GOAL:**

#### ***To be an employer that values and invests in each employee***

SSA's greatest strength lies in the attitudes, skills, and drive of its employees. This goal recognizes that the employees of SSA and the DDSs are key to achieving our goals and objectives. It also reflects SSA's conviction that employees deserve a professional environment in which their dedication to the SSA mission and to their own goals can flourish together.

To provide leadership today in shaping and managing the social security programs will require that our current workforce be highly skilled, high-

performing, and highly motivated. To provide such leadership in the future will require that SSA recognize unfolding changes in the world--the changing face of the customer, the changing character of the nation's workforce, and the changing work of SSA--and create a workforce that responds to the change.

A goal to create a better environment for employees has existed at SSA in some form for a number of years. SSA once again is renewing its commitment to taking action because we absolutely must achieve the objectives of this goal if we are to survive both as a high-performing organization and as a cohesive community.

The focus of this goal is to ensure that all SSA and DDS employees, individually and collectively, understand and value the culture of the organization--a culture rooted in our traditional customer-service values while embracing the concepts of modern management--and recognize the support that the culture provides to our professional and personal well-being.

### **Objectives of Our Goal to Value Employees**

To realize this goal, SSA will pursue the following objectives:

- To provide the necessary tools and training to achieve a highly skilled and high-performing workforce
- To provide a physical environment that promotes the health and well-being of employees
- To promote an Agency culture that successfully incorporates our values
- To create a workforce to serve SSA's diverse customers in the 21st century

### **How We Will Measure Achievement**

SSA uses very few current measures at the Agency level that describe how SSA values and invests in each employee. Examples of those we have been using, along with levels of performance in FY 1996, follow:

- Percent of direct service employees with IWS/LAN: 27%
- Training hours per full-time equivalent: 12.2
- Percent of employees who feel generally or very safe and secure in their facility: 64%
- Number of under represented equal opportunity groups that came closer to parity with the civilian workforce:

Identifying appropriate measures for this goal has been extremely difficult. We understand that, since the achievement of this goal is critical to SSA's meeting its other goals, the ultimate measures of success are in large measure the attainment of world-class service, valued programs, high productivity, and so forth.

However, the importance of the outcome of this goal--valued employees--makes us unwilling to defer completely to such measures. Therefore, one of our first critical activities will be to determine how the best organizations gauge their success in establishing cultures in which employees are valued and investments are made to ensure that high levels of capability and motivation among employees result.

In the interim, we will focus on less perfect measures as indicators of movement toward becoming the employer we envision. For example, we may be able to measure the percent of people needing training who receive it at the appropriate time. Milestones and deliverables of major initiatives may also be used as indicators of achievement where appropriate.

### **How We Will Achieve Our Goal to Value Employees**

The most straightforward, though not necessarily the easiest, objective to pursue is the first, which deals with tools and training. At present, the centerpiece of our resource-support strategy for employees is the IWS/LAN infrastructure. Full implementation will include the provision of appropriate training as well as the issuance of ergonomic furniture to all users. The infrastructure will be used as part of the cooperative processing environment to take advantage of current initiatives, like RDS and the redesign of the OASI automated systems, which will improve the programmatic and administrative systems through automation.

An overall strategy to optimize IWS/LAN programmatic applications for users, along with a complementary strategy to create and support a state-of-the-art office automation environment (including interactive video training), development of a virtually paperless administrative environment, provision of expert systems, provision of necessary information and instructions online, and national support of local software development will round out the electronic resources.

On the training side, SSA has already developed a short list of priority training needs. It includes training employees to become public information ambassadors in support of our goal to increase public understanding. An initiative will be undertaken to fill these training needs for all employees, as appropriate.

More generally, SSA needs to enhance its organizational capability to regularly conduct comprehensive assessments of what skills, knowledge, and abilities are needed by employees and to deliver training at the

proper time to the proper people in the proper way to support SSA's rapidly changing environment. In addition to conducting formal training classes, SSA will prepare employees to be mentors and facilitators to support the development of their colleagues. And, we will enhance our current leadership and management

development programs to ensure that a high level of quality leadership always exists in the Agency.

The interactive video training capability being developed will facilitate our efforts to improve training for employees.

The physical environment presents special challenges in light of recent incidents of terrorism and other situations that compromise the security of the workplace. We are continuing to pay special attention to completing and maintaining security improvements in all of our work sites.

In addition, we will assess employee satisfaction with the physical environment and take appropriate action on the results. A comprehensive program to support employee health and well-being has been initiated in partnership with the union.

Perhaps the most difficult objective for which to develop a comprehensive strategy is the one regarding the Agency culture. This is another instance where benchmarking may be an appropriate beginning--to find out how others measure, create, and support the cultures that make them successful and satisfying organizations. We will then develop our strategy for doing the same.

Meanwhile, there are characteristics of the culture--a diverse workforce, collaborative labor/management relationships, effective internal communications, high personal accountability, employee involvement--that are generally agreed upon as both needing and meriting additional attention, and initiatives will be designed to respond to those needs. For example, a strategy will be devised to encourage and reward organizational entrepreneurship--coming up with better, smarter, and faster ways to do our business.

Finally, to ensure that SSA is ready to continue the work of the Agency in the next century, we must create and implement a plan for transitioning from the workforce of today to the workforce of the future. In 10 years, the people, the work, the customers, the organization will be different, and we must take action now to ensure that the size, skills, and characteristics of the workforce are the ones we need to build the future.

In support of this transition, we will need to create a vision of the workforce of the future and then establish a framework for management and organizational demonstration projects to test new ways of operating.

This will require us to address such things as redeployment strategies; career development strategies; short-term budget concerns; streamlining; skill mix; and compensation.

Managing the employee "retirement wave" we have forecast will be an initial centerpiece of our transition plan. An important facet in the management strategy will be to create a sound analytical capacity to better forecast retirement attrition. In addition, we will conduct research with employees to understand what organizational factors influence retirement decisions, and we will use this information to consider ways to retain our most skilled workers.

Strong succession planning--investing in employee training and development to ensure that adequate numbers of the right people are in the pipeline--is an important facet, as are developing and implementing more effective recruitment strategies to ensure that we can attract and retain excellent workers.

Management will work in partnership with employees and their representatives to build an environment in which all members of the SSA/DDS community are valued for their

contributions and for themselves. Wherever necessary and appropriate for change to be effected, proper notice will be afforded the employee unions.

### ***GOAL:***

#### ***To strengthen public understanding of the social security programs***

One of SSA's basic responsibilities to the public is to ensure that they understand the benefits available under the Social Security programs to them individually and to the population as a whole. This enables people to make reasonable and responsible choices as they plan for their own future and as they help the nation's leaders make decisions about the future of society.

The achievement of this goal supports every other goal of the organization. It helps people knowledgeably debate the issues facing Social Security and join in proposing solutions to them. It supports SSA's ability to provide great service by preparing customers to interact with us. It helps customers understand their responsibilities under the law, thereby leading to payment accuracy and reduction of fraud. And, it raises the level of public respect for employees, thereby helping to both increase public confidence and make employees feel valued.

#### **Objective of Our Public-Understanding Goal**

To realize this goal, SSA will pursue the following objective:

- By 2005, 9 out of 10 Americans will be knowledgeable about the Social Security programs in five important areas:
  - Basic program facts
  - Financial value of programs to individuals
  - Economic and social impact of the programs
  - How the programs are financed today
  - Financing issues and options

#### **How We Will Measure Achievement**

We find the only currently available measure of program knowledge to be unsatisfactory, as it relates only to "perceived" knowledge and not to actual knowledge as determined in some objective way. Other measures of program knowledge relate to the issuance of PEBES, a single tool for increasing the knowledge of the public. These measures, and current performance levels for FY 1996, are as follows:

- Percent of public who believe they are *very or fairly well informed* about Social Security: 59%
- Percent of individuals issued SSA- initiated PEBES (SIPEBES) as required by law: 100%
- Number of PEBES issued upon request and automatically by SSA: 9 million

For the future, SSA intends to create a measure of the percent of individuals who are knowledgeable in each of the five subject areas as demonstrated by responses to an objective test.

#### **How We Will Achieve Our Goal**

An overall public education strategy will be developed that incorporates and expands on current activities. The first step in creating the strategy will be to define what *knowledgeable* means in each subject area so that we can measure it and achieve it. Then, a baseline level of knowledge must be established by designing and administering a testing instrument that can stratify test results by knowledge area and demographic group.

SSA will need to develop messages and communications tools appropriate to the targeted audience segments. We will employ a wide variety of messengers such as employees, the media, SSA publications, schools, other organizations, celebrity spokespersons, employers, and volunteers to get our message

across. Particular emphasis will be placed on training employees as public information ambassadors.

Perhaps the most difficult part of the initiative will be determining interim targets for success--how many of which specific audience need to be knowledgeable about which areas at what point in time--and designing a strategy to achieve the target levels.

PEBES issuance will remain a central strategy for helping SSA maintain the accuracy of earnings records, keeping wage earners up-to-date on their protection under Social Security, and helping wage earners, through an estimate of their future benefits, plan their financial future.

To directly evaluate the effectiveness of the education effort, SSA will periodically administer the test of public knowledge. To demonstrate the value of increased knowledge on SSA's other goals, indicators of correlation will have to be developed.

## **Part IV -- A Management Framework for Action**

### **SSA's Administration of the Programs**

To administer the vital programs under titles II and XVI of the Social Security Act, SSA spends approximately \$6.5 billion annually. This means that our administrative expenditures remain less than 2 percent of our program expenditures--an impressive figure for any organization.

There are differences in the levels of resource expenditure among programs, however. Administrative expenditures in the OASI program were only 0.6 percent of program expenditures in 1996. In contrast, greater complexity in the DI program results in administrative expenditures that are 2.5 percent of program expenditures. And in the SSI program, both increased complexity and smaller individual payment amounts contribute to a level of administrative expenditure that is 8 percent of program expenditures.

As described in the previous section, every one of SSA's five strategic goals has its own strategies for action. Through the strategic

management process and under the aegis of the GPRA, SSA is creating an overarching plan that establishes accountability for action, commits us to discrete process management strategies, and creates the impetus for aligning and building the organization for success.

One of the themes of this plan is *balance*, and nowhere is the need for balance more evident than in the process by which the Agency must choose between competing priorities. To help us strike such a balance, we have been crafting an overall methodology that will help us consciously make the most optimal choices that we can, given our environmental constraints. We have instituted an Agency requirement to identify the costs and benefits of every major SSA initiative, with emphasis not just on the costs and benefits easily quantifiable in terms of administrative resources but on all effects, operational, internal and external, administrative and program-related.

We have expanded the review process of our key Agency initiatives, scheduling and designing executive reviews in order to ensure that not just information technology funds but all major investments of money and energy are wisely spent. We have been using the concept of a balanced scorecard as we develop final Agency performance measures and establish target levels of performance for the coming years. We are developing a process by which the opinions and needs of our customers, employees, and stakeholders are regularly collected and weighted.

We are building a new capability for scanning the environment so that we can recognize and anticipate the winds of change and respond appropriately. An example of such a change can be seen in the area of demographic projections. Some demographic research being done today suggests that medical technology may soon support dramatic increases in life expectancy far beyond what we are using as our basic assumptions. Careful attention must be paid so that indicators of such changes would be recognized in time for us to revise our projections and, ultimately, our plans.

## **Planning Parameters**

In general, the magnitude and importance of the challenges that SSA faces argue for our taking advantage of every possible innovation and angle that might present itself as an opportunity for improvement. Still, all organizations have good reason to provide guidelines to be used in determining planning options.

SSA has established various planning parameters, beyond its framework of mission, goals, objectives, and assumptions, that provide such guidance to Agency employees. These parameters will help SSA employees find the balance as they make choices for action over the strategic planning period. Some of these parameters may actually be characterized as



constraints, some as cross-cutting process management strategies. Major ones are presented here to support consistency within the organization, to facilitate thinking about solutions to problems, and to ensure that energy is not expended on unacceptable solutions.

- SSA will use a variety of management techniques to improve the way work is done, including process redesign/ reengineering, process innovation, and continuous process improvement techniques.
- SSA employees will make conscious efforts to maximize the use of automation in order to reduce the need for human intervention, reduce Agency dependency on paper, reduce opportunities for fraud, and increase accuracy and efficiency of processes. In doing so, employees will optimize the process in order to optimize the value of the automation.
- SSA will seek collaborative relationships with organizations if the relationships would be cost-effective and of benefit to SSA's customers. In particular, SSA will be a willing partner in the intergovernmental efforts to  
provide electronic access to government for the American people.
- SSA considers our customers to be full partners in the service relationship, with responsibility for action and accountability for results. To facilitate their accepting that role, SSA is committed to reducing the burden on customers and other stakeholders through innovation and elimination of barriers in policies and processes.
- Where possible and necessary, SSA will take a leadership role in facilitating environmental change.
- SSA will use sound business principles as a basis for choice. When estimating the costs and benefits of any alternative, costs to and benefits for customers and other stakeholders will be given appropriate weight in the decision.
- SSA will establish objectives and measure outcomes from the perspective of the customer and ensure that management information systems are developed or modified to support management of processes across internal component lines.
- Where administrative efficiencies are implemented that save workyears, SSA will manage the savings by redeploying staff, moving work, and/or restructuring jobs.
- Wherever possible, SSA will change its processes to support a customer's ability to complete his/her business with SSA in a single contact. Where complex business requires repeated contacts, we will work toward providing customers the opportunity to conduct it with the same employee until the business is complete.
- There will be a renewed emphasis on the use of benchmarking as a

strategy for efficient creation of effective solutions.

## **The SSA Resource Picture**

In the environment established by the balanced budget agreement, we are assuming that overall government administrative funding will remain level over the next several years. We are developing our strategies and setting our performance objectives with an assumption of constrained resources for SSA in mind.

We are striving to strike a balance between our performance objectives that compete for the same resources and to devise strategies that will permit us to maximize what we are able to achieve with the resources that we can reasonably expect to have available.

Changing emphases in organizational capacity and continuing dependence on automation are the themes that have emerged as we have considered the SSA resource picture. Vigilance and foresight will be necessary to ensure that our resource plans remain current and responsive to Agency needs.

## **The Human Resource Picture**

The human resource picture at SSA is bound to change, if for no other reason than the predicted retirement of a large number of long-time SSA employees (see page 8). A major initiative under our goal to value employees will have us describe our human-resource vision and create a plan for transitioning to that vision (see page 30). Though the vision is not available today, we can reasonably assume certain characteristics that it will likely possess.

First of all, no growth is likely in the numbers of workyears available to SSA. In addition, overall numbers of staff positions will continue to decrease relative to direct-service positions as we support our continued commitment to the customer. This will present a challenge to managers as they search for less resource-intensive ways to create and implement strategies for change. Fluidity of skills among staff people will be an important consideration.

Flexibility will be a necessary attribute of the entire workforce, as process changes allow us to move work from one location to another. Work will be moved to where the people are to equalize priority workloads nationwide, and employees will become more generalists than specialists. Ongoing investments will be needed to provide the tools employees will need--tools such as expert systems, electronic reference materials and procedures, and online help-- in order to excel in a generalist environment. A concomitant investment in employee training and career development will be needed to support employee flexibility in redeployment and to enable employees to use new tools.

New staff members will likely be more computer literate, enabling them to maximize use of automation. However, the expected drain of institutional

knowledge as current employees retire may force both intensive training efforts and the creation of reference materials and systems that support individuals with little program background. A particular challenge may lie ahead as we revitalize efforts to prepare all of our employees, but particularly those in direct service positions, to be capable public information ambassadors for SSA programs.

Chosen strategies for this plan will lead to a continuing emphasis on skills related to automated systems development. A dramatic increase in the use of client/server-based automated tools will increase the pressure for a national strategy to make systems management skills available wherever needed.

In the same way, the increased emphasis on leadership in shaping programs may mean increased numbers of policy, research, and actuarial employees. However, streamlined processes and use of external experts may limit the need for such increases.

SSA has renewed its decade-long commitment to ensuring that customers, insofar as possible, can choose the delivery method they want and need in order to conduct business with SSA. This will require SSA to maintain a network of community-based field offices, a network of teleservice centers, a telecommunications network for electronic interface, and a network of processing centers staffed with people whose capabilities and tools permit them to carry out a variety of functions according to varying Agency needs. Employee abilities to deal non-stop with people in need will remain a valued commodity.

Implementation of modern management concepts will require that more and more employees be comfortable working in a team environment and possess both facilitation and negotiation skills. Without the cushion of management layers for support, more emphasis will be needed on creating a climate of capable leadership and trust.

Of paramount importance at this juncture will be strong leadership in creating a human resources strategy for the future that can envision what SSA will be and then create the SSA we have envisioned. Though the number of staff may go down, and though the proportion of work done face-to-face is expected to decrease substantially, our human resources pool remains our most important resource, and

the ability of employees to interact with our customers remains their most important role.

### **The Physical Resource Picture**

No major changes to SSA's physical resources are foreseen over the 5-year planning period. Considerations of employee health and well-being will lead to our attaining or enhancing office space to meet Agency environmental standards and respond to employee concerns for safety and

security.

Changes in the types of work done in different types of SSA offices as well as employee preferences for flexible work sites may change the number and type of employees in various locations, but effects are not at this time expected to be dramatic over the next 5 years. SSA will anticipate and respond as necessary to changing legislation, changing demographics, and economic exigencies as we manage our service sites.

### **The Information Resource Picture**

The story to be told about information resources at SSA is about the continuing critical role that automation will play. As has been the case for many years, a strong focus on information technology is indispensable to SSA's success. SSA must rely on technology to support improved or dramatically altered processes that simplify, speed, or eliminate tasks both in our programmatic and our administrative processes. Automation is a key enabler of the improvements that will raise the quality of SSA service.

In the 1991 strategic plan, SSA envisioned a cooperative processing architecture for its automated systems that would improve the availability and reliability of systems, support the use of complex tools such as expert systems,

and assist us in building into our systems a dependable capability for backup and recovery.

The vision of such an architecture still drives us as we continue to implement the most important initiative on SSA's current technology agenda, the IWS/LAN infrastructure; as we create an improved software engineering methodology that will ensure the cost-effective development of client-server applications; and, at the same time, as we expand our mainframe applications to achieve significant service and efficiency improvements. The overall information technology architecture that SSA is developing will ensure consistency among all automation initiatives.

Our strategic goals are essentially unachievable unless we invest wisely in the infrastructure of automation that will support them. We are depending upon electronic tools and training to provide our workforce with the ability to deliver the on-time, first-time, accurate service that we have committed to providing our customers. Beyond this, information technology will help free employee time for the activities that are more difficult or inappropriate to simplify or automate. We must expand our electronic processing of administrative actions to lower cost and more effectively utilize the talents of our employees.

We will improve service and increase the accuracy of program expenditures by increasing the up-front availability of information to and from other agencies through electronic access to data. We will create the capability for electronic partnering with others to enable the provision

of shared services.

An important focus of our automation program as workloads escalate will be the continuation of our capability to process our regular business transactions, operate our benefit payment systems, and maintain our vast electronic files.

As our paperless environment expands, we will increase the automated capacity to process work in a virtually paperless mode. This may mean an increase in imaging technology as well as other local computing enhancements.

Technology opens up exciting future possibilities for doing business with our customers in non-traditional ways. Though not necessarily the largest investment, certainly a strong emphasis will be placed on creating the capability to increase substantially our ability to provide service directly to the customer via electronic means.

Considerable staff effort will be expended over the next 5 years to prepare the Agency to do business this way, but ESD is not expected to represent a significant portion of our customer-interface workload for a number of years.

We are evolving steadily to our original vision of a cooperative architecture. The automated systems environment continues to be marked by a strong focus on planning, and the Information Systems Plan remains a valuable source of information about that environment.

One critical activity related to the information-technology infrastructure has been SSA's internal effort to make our own processing systems Year-2000 compliant. We actually began to revise our programs in the late 1980s; while the process is not yet complete, we expect to be 100 percent Year-2000 compliant by the end of 1998.

To mitigate the risk that other organizations with whom we exchange information will not be equally prepared for the change of century, SSA has been leading a Subcommittee of the Chief Information Officers' Council to raise awareness of the Year-2000 issue, address facets of the issue that cut across government, seek mutual solutions where possible, and share best practices. While every agency is responsible for implementing its own solutions, we are expecting to lead a successful transition into this small but critical corner of the future.

Beyond the opportunities offered by information technology, challenges must be met. Two of the largest, related to increasing the ability of customers to conduct business electronically, are how to create easily accessible data bases and how, at the same time, to create secure systems for access. Here the concept of balance comes into play, the balance between service and safeguards. Likewise, choices must be made between the accuracy and efficiency of automated interfaces and the less-efficient-but-more-intuitive human interface that may reduce

opportunities for fraud and abuse.

## **Organizational Capacity for Implementation**

Several years ago, SSA identified as a planning construct these five core business processes:

- Enumeration--the issuance of Social Security numbers and maintenance of the SSN file
- Earnings--the maintenance of earnings records for employees and self-employed people
- Claims--the taking and adjudicating of claims for benefits
- Postentitlement--the maintenance of up-to-date payments and accurate beneficiary records
- Informing the Public--the dissemination of information about our programs and the processes by which we administer them

These processes are carried out by a national network of over 1,500 facilities managed regionally and supported by centralized policy-making, administrative and resource-support staff.

The tremendous amount of work that SSA must accomplish is dictated by public demand and current law. That work, as carried out through our core processes, is the primary determinant of SSA's FTE and information technology requirements.

We believe we have established the correct processes to accomplish the mission. Thus, no further realignment is deemed necessary at this time. As we move forward under the guidance of our new mission, however, we will be cognizant of the possible need for redefinition of our processes and will work through SSA's strategic management system to accomplish realignment as necessary.

We have also identified six complementary service-delivery-interface methods used by our direct-service customers as they go about conducting business with SSA:

- Visiting one of SSA's direct-service offices
- Calling one of SSA's direct-service offices
- Calling SSA's 800 number
- Working through a third party
- Conducting business through the mail
- Using options for electronic service delivery

Although the mix of transaction volumes may change over the plan period as more people take advantage of greater opportunities for ESD, we do not envision the creation of any additional interface methods nor the elimination of any that are currently available.

Numerous factors affect SSA's service-delivery structure, including the demographics of the local population, available SSA resources, and cost. Regular assessments are made of how well the organization supports performance. Future assessments could certainly result in new organizational arrangements.

## **Specifics of GPRA Implementation**

SSA has a strong, mature system of strategic management that has positioned SSA well for implementing the GPRA. SSA has a long history of measuring what it does. Indeed, the focal point of our 1991 strategic plan was a slate of service-delivery objectives that committed the Agency to achieving particular levels of performance during a specified period of time. This kind of commitment was unusual then for a government agency, but it identified SSA as a harbinger of the strategic planning concepts in GPRA.

In addition, SSA was one of the earliest agencies to publish an annual audited financial statement. After the 1991 plan was published, our annual statement (now known as the Accountability Report) reported our performance on the service-delivery objectives in the plan as well as a host of other important program and process performance indicators.

The planning system at SSA not only supports the creation of Agency-level goals and objectives but includes a fully functioning planning and budgeting system that helps create appropriate Agency strategies and initiatives, ensure their timely implementation, and reinforce consideration of their impact on Agency objectives and the budget. With the recent introduction of investment review principles into the planning and budgeting system, we have evolved even further to ensure that effective planning drives the activities and the budget of the Agency.

We have developed a systematic approach to conveying the contents and concepts of the Agency's strategic plan. In doing so, we will familiarize employees with the ASP, recognize past accomplishments of the Agency's planning process, orient employees to the new planning context created by GPRA, and engage them in the process of change in the Agency and their own work environment.

## **Program Evaluation**

SSA's history of setting goals and reporting performance at all levels (including inputs, outputs, and outcomes of our activities and our programs) and the information contained elsewhere in this plan make it clear that program evaluation is used continuously at SSA as a tool for setting goals, defining strategies, initiating change and determining success.

As our executives create plans for the Agency, they are made constantly aware of current performance and performance trends over time as well as workload and program outcome data as identified through SSA's own assessment instruments, such as the annual Customer Satisfaction Survey.

Challenges and weaknesses identified by oversight organizations are brought to their attention for consideration. Some evaluations are done on a regular schedule; studies to address topical issues are done on an *ad hoc* basis.

Our systems for obtaining performance data are monitored internally and externally to ensure that they meet the appropriate standards for statistical validity and reliability.

At the initiative level, major initiatives are piloted at various stages before national implementation. Though these are not truly program evaluations, they function that way operationally, since the impacts of the change wrought through the pilot are determined using industrial engineering methodologies, and the information is used both to direct corrective action and to make investment decisions. SSA contracts with external reviewers to assist us in making unbiased assessments of both our processes and our assessment activities.

SSA's Accountability Report is published yearly. It contains audited financial statements as well as reports of financial accountability (such as the adequacy of program financing and debt management activities); program and financial performance measures; and summaries of audits and inspections conducted by the OIG. The Accountability Report also reports a number of program-outcome measures such as the poverty rate among the elderly and earnings replacement rates. All of these reports of program and Agency performance are based upon regularly-scheduled or specially initiated program evaluation activities.

Despite the quality of our program evaluation, we are paying it strategic attention. An Agency-wide activity has begun to develop an integrated process for obtaining customer input (see page 23) to support Agency decision making and to provide better customer service. As we develop a strengthened capability for research and policy development under our programs goal, a central focus will be on the evaluation of program impacts and how to improve the effectiveness of the evaluation process.

As reported in Part III, new measures and measurement systems will be established to support the GPRA focus on program outcomes; systems will be designed to ensure that the information they collect will not only reflect performance but drive corrective action. A renewed emphasis on post-implementation review of major Agency change will result in new processes and support for decision making.

As stated previously, we recognize that no measure or measurement system is perfect, and that such systems continuously evolve. We will work diligently in partnership with the union and our oversight organizations to ensure the reliability, validity, and integrity of our systems of measurement and evaluation.



An initiative is under way to produce a set of coordinated and compatible Agency assessment plans that focus on Agency priorities. The assessment plans will be built on the requirements of this strategic plan and will be available early in FY 1998 to support its implementation.

At the level of pure program evaluation, determining the impacts of major program changes (such as welfare reform) on the affected population is a critical activity for SSA. Although we do a considerable amount of program evaluation now, the need for strong support of SSA's mission led us to formulate a new goal. New evaluation activities will accompany our pursuit of its supporting objective to **build and strengthen SSA's capacity to undertake necessary research, evaluation, policy development and actuarial studies.**

Meanwhile, certain regular assessments are expected to be completed on time, and a tentative timetable for certain new ones has been established. The Customer Satisfaction Survey will be conducted again this fall and published mid-summer 1998. Another nationwide study to update customer-service performance standards is recommended to be completed for the September 1998 cycle. A stakeholder measurement strategy, with special emphasis on employers, will be implemented on a 1-to-3-year cycle.

## **APPENDICES**

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**APPENDIX A**

Indicators Used for Annual Performance Commitments  
to the House Appropriations Committee<sup>1</sup>

Percent of 800-number callers served within 5 minutes

Percent of public rating SSA service "very good"<sup>2</sup>

Percent of public with an appointment waiting 10 minutes or less

Percent of public without an appointment waiting 30 minutes or less

Initial disability claims processed (thousands)

DA&A reviews processed (thousands)

Welfare Reform children reviews (thousands)

Initial disability claims pending (thousands)

Initial disability claims processing time (days)

Hearings processed (thousands):

- Regular Cases
- Welfare Reform

Hearings pending (thousands)

Hearings processing time (days)

Periodic review CDRs processed (thousands)

Total PEBES Issued (millions)

Percent of Individuals issued PEBES as required by law

Percent of Front-Line Employees with IWS

Percent of Supervisory Staff

1. Annual performance goals for these indicators will be included in the Agency's Annual Performance Plan to be submitted each year with the President's Budget.

2. Consistent with the Agency's strategic goal to provide world-class service, SSA intends to establish a new baseline of performance based on the percent of public rating SSA service as "good," "very good," or "excellent."

**APPENDIX B**

PERFORMANCE INDICATORS BY STRATEGIC OBJECTIVE

OBJECTIVES

PERFORMANCE INDICATORS

Goal: To promote valued, strong and responsive social security programs and conduct effective policy development, research and program evaluation

To support the principles of social adequacy and individual equity in the OASI and DI programs

Delivery of complete, credible and timely research, policy analysis and proposals to support informed decisions by policy makers

To support an SSI program that provides appropriate benefits to the nation's most needy aged, blind and disabled people and links effectively

with other assistance programs                      Delivery of complete, credible and timely research, policy analysis and proposals to support informed decisions by policy makers

To support the executive and legislative branches in a bipartisan effort to preserve Social Security for the long run                      Delivery of complete, credible and timely research, policy analysis and proposals to support informed decisions by policy makers

Effectiveness of Social Security's role in the public debate

To decrease the need for long-term disability benefits by helping people return to the workplace                      Delivery of analysis and proposals for expanding approaches to benefit and service structures that increase work activity among disabled individuals

Selected milestones and deliverables for *implementation* of supporting initiatives such as the Return-to-Work Ticket Pilot

Number of people who leave the benefit rolls because they have returned to the workplace

To build and strengthen SSA's capacity to undertake necessary research, evaluation, policy development and actuarial studies for Social Security and Supplemental Security Income programs                      Delivery of complete, credible and timely research, policy analysis and proposals to support informed decisions by policy makers

Selected milestones and deliverables of supporting initiatives such as , establishing a retirement policy research consortium and expanding income modeling capabilitiesGoal: To deliver customer-responsive world-class service

By 2000, to increase the range of program and information services available to customers over the phone or electronically                      Selected milestones and deliverables for implementation of supporting initiatives, such as taking retirement or survivors' claims immediately over the telephone or in person; providing overnight electronic Social Security number verification for employers; and giving employers the option to transmit wage reports to SSA electronically

To raise the number of customers who receive service and payments on time; specifically,

--by 2002, to issue initial DI disability claims award/denial notices within 6 months after onset of disability or 60 days after effective filing date, whichever is later, to 75% of applicants

--by 2002, to issue initial SSI disability claims award/denial notices within 60 days of filing to 50% of applicants

--by 2002, to issue hearing decisions to 30% of requestors within 120 days from the date of request for a hearing

--to maintain through 2002, current levels of timeliness in processing OASI and SSI aged claims                      Percent of DI initial claims award/

denial notices issued within 6 months after onset of disability or within 60 days after effective filing date, whichever is later

Percent of SSI disability claims award/denial notices issued within 60 days of filing

Initial disability claims processing time

Percent of hearing decisions issued within 120 days of filing

Hearings processing time

Percent of OASI claims processed by the time the first regular payment is due or within 14 days from effective filing date, if later

Percent of initial SSI aged claims processed within 14 days of filing date

Percent of original and replacement social security cards issued within 5 days of receiving all necessary documentation  
Goal: To deliver customer responsive world-class service

By 2002, to have 9 out of 10 customers rate SSA's service as good, very good or excellent, with most rating it excellent  
Percent of public rating SSA service as good, very good or excellent

Percent of public "satisfied" or "very satisfied" with the courteousness of SSA staff

Percent of public with an appointment waiting 10 minutes or less

Percent of public without an appointment waiting 30 minutes or less

Percent of callers who successfully access the 800 Number within 5 minutes of their first call

Percent of callers who get through to the 800 Number on their first attempt

Percent of 800 Number calls handled accurately: Service Accuracy

Percent of public who are "satisfied" or "very satisfied" with the clarity of SSA mail  
Goal: To make SSA program management the best in business, with zero tolerance for fraud and abuse  
To make benefit payments in the right amount; specifically,

--to maintain through 2002, the accuracy of OASI payment outlays

--to maintain or improve through 2002, the accuracy of DI payment outlays

--to raise to 96 percent by 2002, the accuracy of SSI payment outlays  
Dollar accuracy of OASI payment outlays:

Percent without overpayments  
Percent without underpayments

Dollar accuracy of DI payment outlays (new measure to be developed):Percent without overpayments  
Percent without underpayments

DDS decisional accuracy

Dollar accuracy of SSI payment outlays:  
Percent without overpayments  
Percent without underpayments

Percent of social security numbers (SSNs) issued accurately

Percent of 800 Number calls handled accurately: Payment  
Accuracy

To become current with DI and SSI CDR requirements by 2002 Number of  
CDRs processed

Percent of multi-year CDR plan completed

To maintain through 2002, current levels of accuracy and timeliness in  
posting earnings data to individual's earnings records Percent of earnings  
posted to individuals' records by September 30

Percent of earnings items posted correctly

To aggressively deter, identify and resolve fraud Percent of fraud  
allegations accepted for investigation that are resolved (new measure to  
be developed)

Percent of identified critical vulnerabilities by program that are  
eliminated (new measure to be developed)

Selected milestones and deliverables that indicate progress of  
initiatives to address fraud deterrence

To increase debt collections by 7 percent annually through 2002

Percent of increase in debt collectedGoal: To make SSA program  
management the best in business, with zero tolerance for fraud and abuse

To position the Agency's resources and processes to meet emerging  
workloads

Number of initial disability claims

processed

Number of initial disability claims pending

Number of hearings processed

Number of hearings pending

Other workload outputs

New Agency-level indicator of performance under this objective to be  
developed

Goal: To be an employer that values and invests in each employee

To provide the necessary tools and training to achieve a highly skilled and high-performing workforce                      Various indicators of the extent to which employees have the tools and training they need, such as percent of employees with intelligent workstations/local area network capability and percent of employees needing training who receive it at the appropriate time

Milestones and deliverables of supporting initiatives

To provide a physical environment that promotes the health and well-being of employees                      Employee satisfaction with the physical environment (new survey to be developed)

Milestones and deliverables of supporting initiatives

To promote an Agency culture that successfully incorporates our values  
Completion of benchmarking study to determine how the best organizations measure their success in this area

Milestones and deliverables of supporting initiatives

To create a work force to serve SSA's diverse customers in the twenty-first century                      Milestones and deliverables for creation and implementation of a transition plan  
Goal: To strengthen public understanding of the social security programs

By 2005, 9 out of 10 Americans will be knowledgeable about the Social Security programs in five important areas:

- Basic program facts
- Financial value of programs to individual
- Economic and social impact of the programs
- How the programs are financed today
- Financing issues and options                      Percent of public who believe they are "very well informed" or "fairly well informed" about Social Security

Percent of public who are knowledgeable in each of the five subject areas as demonstrated by responses to an objective test (new measure to be developed)

Percent of individuals issued SIPEBES as required by law

Number of PEBES issued upon request & automatically by SSA

## **APPENDIX C**

### **SSA'S FEDERAL BUSINESS PARTNERS**

SSA has established numerous working relationships with other agencies in the Federal sector. Many of the relationships that SSA pursues assist us in accomplishing our mission and help other agencies accomplish theirs. The character of these relationships ranges from simple data exchange through program coordination to the actual processing of each other's

work. We will continue to coordinate with other agencies to prevent conflicting goals, eliminate any redundancy, and find new opportunities for giving better value to the public.

The following list is not represented to be comprehensive, as many other types of work may be done in cooperation with the organizations listed below, and work from time to time may be done with other organizations as well. In addition, SSA participates on a number of Executive Branch councils and interagency committees formed to search for improvements in practices government-wide. For example, SSA chairs the Year 2000 Committee of the Federal Chief Information Officer Council (see text, page 39).

We have not attempted to present an exhaustive list of the agencies that provide all Federal organizations with administrative guidance or oversight.

### **Department of the Treasury**

-- The *Secretary of the Treasury* serves as the managing trustee for the Social Security Trust Funds<sup>10</sup>.

-- SSA provides actual earnings data on which FICA and SECA taxes were due in order for Treasury to adjust trust-fund balances appropriately.

-- SSA and Treasury exchange data regarding, for example, enforcement, SSI income, Continuous Work History Sample.

-- *Internal Revenue Service (IRS)*

- o SSA receives reports of self-employment income from IRS. SSA posts the wages and self-employment income of every employed person in the nation; IRS uses the data in processing individual income-tax returns.

- o SSA assigns social security numbers to individuals of all ages; this enumeration permits individuals to submit and be claimed as dependents on tax returns and for other use in tax enforcement/collection.

- o SSA provides to individuals and the IRS forms 1099 and 1042 for use in reporting taxable Social Security benefits.

- o IRS assigns employer identification numbers (EIN), used by SSA in earnings processing; SSA assigns statistical codes to the EIN applications, which allows them to be used by SSA for policy research activities and by IRS for improving tax administration.

- o SSA uses IRS data for enforcement matching.

- o SSA has utilized the IRS income-tax-refund-offset program to recover program overpayments (see FMS, below).

- o IRS interprets tax treaties affecting taxation of Social Security benefits and assists SSA in implementing treaty changes or new treaties.

- o SSA and IRS are working together on policies/proposals to reduce the need for long-term disability benefits.

-- *Financial Management Services* (FMS)

- o FMS invests and disinvests trust-fund assets

- o FMS provides a statement of receipts and expenditures for the trust funds.

- o Using information provided by SSA, Treasury prepares paper SS/SSI checks and information for direct-deposit benefit payments. Treasury also handles international direct deposit in foreign countries.

- o Treasury negotiates tax treaties that effect taxation of Social Security benefits.

- o Beginning in FY 1998, Treasury will provide SSA with debt-collection services through the Treasury Offset Program, a more comprehensive program that will supersede the tax-refund-offset program.

-- *U.S. Secret Service*

- o The Secret Service assists SSA in check loss/fraud investigations

**Department of Health and Human Services** (HHS)

-- The *Secretary of HHS* serves as a trustee for the Social Security Trust Funds.

-- SSA and HHS will be coordinating further policy development related to people with disabilities.

-- *Health Care Financing Administration* (HCFA)

- o SSA obtains data for use in cost estimating.

- o SSA performs work related to entitlement to Health Insurance and Supplemental Medical Insurance on behalf of HCFA (e.g., Medicare enrollment, premium billing and adjustments).

- o SSA and HCFA exchange data regarding Medicaid eligibility.

- o SSA and HCFA coordinate benefits and services to people with disabilities.

- o SSA determinations of disability are controlling for state decisions concerning Medicaid eligibility. SSA determinations of SSI eligibility



create automatic entitlement to Medicaid coverage in States which enter into agreements under section 1634 of the Social Security Act.

-- Other HHS agencies, such as *Office of Aging, Office of Child Support Enforcement, Indian Health Services* -- Program coordination and data exchange

#### **Department of Labor (DoL)**

-- The *Secretary of Labor* serves as a trustee for the Social Security Trust Funds.

-- DoL and SSA coordinate benefits and services to people with disabilities.

-- *Employment Standards Administration*

- o SSA field offices take claims for Black Lung benefits.

-- *Pension and Welfare Benefits Administration*

- o Policy development and coordination on issues related to pensions

-- *Office of Workers' Compensation Programs*

- o SSA uses information regarding workers' compensation to ensure the accuracy of disability benefit payments.

-- *Bureau of Labor Statistics (BLS)*

- o SSA provides earnings data to BLS, which they use in calculating the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). The CPI-W, in turn, is used to annually adjust benefits for beneficiaries of SSA and other programs.

#### **Department of Agriculture**

-- program coordination related to verification of eligibility status of food stamp applications and joint eligibility processing under SSI SSA field offices take some applications for Food Stamps.

#### **Department of Commerce**

-- The *Bureau of the Census*

- o Census gathers data specifically for SSA and provides SSA their data for use in SSA research and cost estimating; SSA provides employer-based statistical data and other data.

-- SSA provides Commerce with the figure representing the total title II program benefits disbursed abroad, which is used in developing material

for the balance of trade between the US and all foreign countries.

-- *Bureau of Economic Analysis* (BEA)

- o BEA provides general economic data to SSA for use in making cost estimates. SSA, in turn, provides information to BEA for inclusion in the national income accounts.

-- *National Institute of Standards and Technology*

- o provides standards for electronic data processing.

**Department of Defense** (DoD)

-- SSA and DoD exchange data regarding military retirement

**Department of Education**

-- SSA depends upon vocational rehabilitation services provided by state agencies funded and administered by Education.

-- Education and SSA exchange data regarding student loans.

**Department of Housing and Urban Development** (HUD)

-- SSA and HUD coordinate benefits and services to people with disabilities.

-- Under section 8 of the 1990 Housing Act, SSA and HUD coordinate the treatment of housing subsidies under the SSI program.

**Department of the Interior**

-- SSA works with the *Bureau of Indian Affairs* to coordinate provision of local services at the reservation level.

-- Interior will shortly be processing SSA's employee payroll, once transition from HHS has occurred.

**Department of Justice**

-- *Immigration and Naturalization Service* (INS)

- o SSA works closely with INS to ensure the accuracy of SSNs assigned to aliens; efforts are under way to transfer at least part of that workload to INS.

- o SSA and INS are working closely in the implementation of recent welfare-reform legislation.

- o SSA and INS are piloting a process that will allow employers to

obtain on-line verification of the SSNs of newly hired employees.

- o INS notifies SSA of deportations so that program benefits can be suspended as appropriate.

-- *Bureau of Prisons*

- o The Bureau provides information to SSA regarding incarcerated felons to help SSA ensure payment accuracy

-- *Executive Office for U.S. Attorneys*

- o U.S. attorneys prosecute Social Security fraud and handle SSA civil suits for recovery of debts.

- o SSA and U.S. attorneys coordinate the defense of the Commissioner in appeals of SSA eligibility and payment decisions.

**Department of State**

-- Foreign Service Posts perform operational work for SSA overseas, including taking claims for benefits and enumerating some visa applicants (on behalf of INS) prior to their arrival in the US.

-- State authorizes negotiation and signing of SSA's international Social Security agreements with other countries. They also transmit new agreements to the President for submission to Congress.

**Department of Transportation (DOT)**

-- SSA and DOT coordinate benefits and services to people with disabilities.

**Department of Veterans' Affairs (VA)**

-- SSA and VA exchange data regarding veterans' benefits.

-- SSA and VA use each other's medical findings in the adjudication of claims; VA has begun on a limited scale using SSA disability decisions in their claims process.

-- SSA provides VA information and technical assistance related to payment of certain VA benefits payable to survivors of persons who died in or as a result of military service.

-- SSA and VA coordinate benefits and services to people with disabilities.

-- SSA and VA coordinate services in some veterans' hospitals.

**Federal Court System**

-- Appeals of SSA eligibility and payment decisions are heard and decided in the Federal courts; courts handle recovery of court-ordered restitutions.

### **Federal Reserve System**

-- Payments to be made via electronic funds transfer are effected through information passing through the Automated Clearinghouse.

### **General Services Administration (GSA)**

-- GSA leases and maintains many SSA office sites around the country.

-- GSA provides forms, services, equipment, and rules governing SSA administrative functioning (examples include electronic commerce, GSA Automated Purchasing System).

**Legal Services Corporation** -- Legal services programs provide representation for SSA claimants and beneficiaries in the applications and appeals processes.

### **National Archives and Records Administration (NARA)**

-- NARA stores millions of SSA records.

-- NARA provides rules for document/evidence retention.

### **Office of Personnel Management (OPM)**

-- SSA and OPM exchange data regarding civil service retirement.

-- OPM provides general assistance/oversight in personnel regulations and policies.

### **Railroad Retirement Board (RRB)**

-- SSA maintains earnings files on which RRB benefits are based; the Social Security and Medicare trust funds are parties to a financial interchange with the Railroad Retirement Fund

-- SSA and RRB coordinate benefit services and exchange information to ensure accuracy of benefit payments; we are developing system-to-system access to SSA files to facilitate RRB processes.

### **Small Business Administration (SBA)**

-- SSA and SBA coordinate socioeconomic programs and goals.

### **U.S. Postal Service (USPS)**

- USPS provides benefit-check and notice delivery and associated services.
- USPS provides address change notifications/verifications.
- USPS and SSA work together in the investigation and prosecution of SS/SSI-related fraud.

## **APPENDIX D**

### **SSA's Consultation Process**

The Social Security Administration (SSA) regularly consults with and obtains input from stakeholders as an important component of our ongoing process of strategic management. It is because of these activities that SSA was able to complete a draft strategic plan which was found generally acceptable throughout the stakeholder community. Though different stakeholder groups have different concerns and would like to see different emphases in our plans, SSA is confident that this 1997 strategic plan, *KEEPING THE PROMISE*, represents a balanced response to the sometimes competing views of our stakeholders.

#### Ongoing Process of Consultation

Regarding our ongoing process to consult with stakeholders, each of SSA's five major business processes, as well as the various programmatic policy areas, are likely to continue to be of interest to various stakeholder groups. The highlights of our ongoing consultation process are described below:

- o SSA meets quarterly with groups that advocate for various populations in society; for example, the aging (e.g., the American Association of Retired Persons, the National Senior Citizens Law Center) and the disabled (e.g., the Consortium for Citizens with Disabilities, the National Industries for the Blind, the ARC of the United States). Meetings focus on such issues as program financing, return-to-work initiatives, electronic service delivery, improving public information materials, and health care.
- o From time to time we ask stakeholders to give us their views so their perspectives and interests can be considered by Agency leaders. An example would be the broad inclusion of opinions from stakeholders (including interviews with over 750 members of the medical, legal, advocate, and interest-group communities) as SSA was developing its critical redesign of the process by which we make disability decisions.
- o SSA policy makers and process designers work in continuous cooperation with other Federal and State entities with whom we share customers and stakeholders. A list of the major Federal agencies whom we consider our partners is included as Appendix C in this plan.

- o SSA has established a program for conducting focus groups with customers and stakeholders to help us understand underlying issues and design quantitative tools for measuring stakeholder opinion. Since 1993, focus groups have been used to obtain public input on issues such as service delivery preferences, public confidence in Social Security, and the processing of disability claims.

- o Similarly, SSA has used various surveys and studies to better understand customer concerns. Perhaps the most well-known of these is SSA's Customer Satisfaction Survey, which has been conducted annually since 1984. The last few years have also seen surveys of 800-number customers, enumeration-process customers, and other groups.

- o SSA periodically conducts public forums on specific issues. Of recent note is a series of forums held earlier this year to consider issues of privacy associated with the use of the Internet to conduct certain SSA business.

- o SSA regularly solicits input from visitors to SSA's Internet homepage, which is then shared with policy makers to be considered in the development of the full range of SSA's products and processes.

- o Oversight agencies, most notably the General Accounting Office and SSA's Inspector General, regularly review and audit SSA's processes; through a formal, established process, SSA responds to findings and recommendations and initiates action to implement recommendations where appropriate.

- o Discussions with employees in a focus-group setting are conducted frequently under the provisions of a Memorandum of Understanding with SSA's largest union, the American Federation of Government Employees. A series of focus groups was conducted early this year to provide specific input to the strategic planning process.

- o SSA has established a National Partnership Council with AFGE as a forum for discussing and reviewing issues of mutual concern. Partnership councils have been established at lower levels throughout the organization as well.

#### Consultation Specific to the 1997 ASP:

In order to meet the requirements of the GPRA for consultation on the specific decisions under consideration in the planning process, SSA took the following steps:

- o Reviewed and summarized information received from stakeholders over the past 4 years to identify recurring priorities and preferences for input into strategic deliberations

- o Conducted focus groups with employees on strategic planning issues

- o Obtained contractor assistance to assess the sufficiency of existing input
- o Provided unions and management associations the opportunity for briefings early in the process of strategic deliberation
- o Posted the draft plan on the SSA Internet web site
- o Provided a summary of the proposed mission and goals, with reference to the complete text on the Internet, to over 200 interest groups; held an informal briefing on the plan for representatives of interest groups; sent the plan to former SSA Commissioners
- o Requested comments on the plan from more than 20 other Federal agencies, conducted an in-person overview of the plan for agencies, and reviewed the plans of more than 12 agencies to check for overlap or conflict with SSA's plan
- o Met with representatives of AFGE; met with representatives of the two major management associations at SSA
- o Met with GAO on SSA's implementation of GPRA
- o Consulted with Congress:
  - provided an early briefing to Congress on SSA's implementation of GPRA
  - shared copies of the draft plan
  - provided briefings to staff of House Ways and Means Committee and Senate Finance Committee
  - participated in a panel discussion held by House Ways and Means Committee staff with former SSA Commissioners; attended a panel discussion of employee/management groups and interest groups held by the Committee
- o Provided briefings on GPRA and plan contents for members of SSA's Advisory Board
- o Requested comments on the plan from members of the actuarial community
- o Briefed members of the payroll-reporting community on the plan and requested their comments
- o Consulted with OMB

## **APPENDIX E**

## **BRIEF HISTORY OF STRATEGIC MANAGEMENT AT SSA**

SSA has a strong history of strategic planning. Below is a short chronology of major milestones in the evolution of our current system of strategic management.

**1982 *Systems Modernization Plan* published**

- created to address the crisis in automated systems processing at SSA

**1987 First audited financial statements produced**

**1988 *2000: A Strategic Plan* published**

- first Agency-wide, long-range strategic plan at SSA

**1990 First annual Information Systems Plan published**

**1990 Unified Planning and Budgeting Process established**

- established a tactical planning process to link planning with budgeting

**1991 *"Framework for the Future"* published**

- second Agency-wide strategic plan
- presented Agency service-delivery goals and objectives
- established five Agency-level strategic priorities

**1991 Audited financial statements changed to report on Agency service-delivery objectives**

**1992 Strategic Priority Transition Guidance published**

- translated 1991 ASP vision into an action plan

**1992 Unified Planning System established**

- umbrella system that linked strategic planning, tactical planning and budgeting processes

**1995 First annual *SSA Business Plan* published**

- describes overall business strategy for budget period
- presents targets for Agency performance indicators for current and budget years
- describes specific key initiatives for which tactical plans have been created

**1995 Report of Agency performance expanded again as Accountability Report**

- approved OMB pilot of consolidation of reporting requirements of various laws

**1997 *"Keeping the Promise"* published**

- first strategic plan published under GPRA

**1997 First Annual Performance Plan produced under GPRA**



<sup>1</sup>"Year 2000" is the shorthand expression for the complex of major issues posed in the automated information processing arena by the change of yearly numeration that will occur on January 1, 2000.

<sup>2</sup>This measure will be defined in such a way that does not give credit to transitory or short-term work relationships.

<sup>3</sup>To *access successfully* is defined as reaching a point of contact that will satisfy your business needs, whether that means an automated response unit or a human teleservice representative.

<sup>4</sup>When SSA measures the accuracy of information we provide, we are concerned with two types of errors. The first is erroneous information that would lead to an incorrect payment being made; for example, we incorrectly inform a beneficiary of reporting requirements. A measure of accuracy related to payment is included under our goal to make SSA program management the best in business. The second is erroneous information that, while having no impact on payment amounts, may inconvenience the customer. For example, we give incorrect directions to a field office or fail to inform a claimant of certain proofs necessary for claim processing. That is the kind of information accuracy measured under the goal to provide world-class service.

<sup>5</sup>See Appendix A for "Indicators Used for Annual Performance Commitments to the House Appropriations Committee"

<sup>6</sup> *Postentitlement* is the business process in which we maintain up-to-date payments and accurate beneficiary records.

<sup>7</sup> SSA performs continuing disability reviews (CDRs) to ensure that individuals receiving disability benefits are still eligible.

<sup>8</sup>See footnote #4, page 20.

<sup>9</sup> PEBES stands for Personal Earnings and Benefit Estimate Statement, a statement that SSA provides to individuals that informs them of what our records show their earnings are and gives them an estimate of the benefit they will be entitled to when they retire.

<sup>10</sup> <sup>1</sup>The Commissioner of Social Security also serves as a trustee, along with the Secretaries of Labor and Health and Human Services (noted below) and two members of the public.